



**METROPOLITAN
TRANSPORTATION
COMMISSION**

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Memorandum

TO: Administration Committee

DATE: October 7, 2009

FR: Deputy Executive Director, Policy

W. I.

RE: Contract – Transit Performance Monitoring Program for FY 2009-10 through FY 2011-12:
Mundle & Associates, Inc.

Summary

Staff recommends that this Committee authorize a contract with Mundle & Associates, Inc. for \$650,000 to:

- Conduct TDA performance audits of MTC and the Bay Area transit operators over a three-year period;
- Conduct RM2 Operating Performance Reviews of all RM2 Operating Projects over a three-year period;
- Other performance review professional services, as needed.

Background

Transportation Development Act (TDA) Triennial Audits

California Public Utilities Code Section 99246 requires that transportation planning agencies, such as MTC, designate independent entities to conduct performance audits of their activities and of the activities of each transit operator to whom they allocate funds under Article 4 of the Transportation Development Act (TDA). The purpose of the audits is to systematically evaluate the efficiency, effectiveness, and economy of the operation of the entity being audited. Over the three-year period of the contract, MTC and all operators to whom MTC allocates TDA funds will be audited.

Regional Measure 2 Program Performance and other Performance Reviews

The consultant will conduct a performance measure analysis of transit operations projects that are identified in the Regional Traffic Relief Plan of Regional Measure 2 and may be asked to assist in peer group performance and/or cost comparison; best practice review and synthesis for transit efficiency; independent assessment of transit costs and review of current standards, goals, and objectives; recommendations on region-wide performance metrics; or recommendations on specific projects or progress in implementing Productivity Improvement Program Projects.

Selection Process

A Request for Proposals (RFP) was posted on August 21, 2009. We received four (4) proposals in response to the RFP from the following organizations:

- Capital Partnerships, Inc., San Francisco, CA
- McCollom Management Consulting Team, Darnestown, MD
- Moore & Associates, Valencia, CA
- Mundle & Associates, Inc., Philadelphia, PA

A review panel of two MTC staff and three transit agency representatives evaluated the proposals based upon the following evaluation criteria specified in the RFP:

- Technical Evaluation: proposal demonstrates understanding of project goals, effectiveness in accomplishing work proposed;
- Project Team/Firm Evaluation: proposal demonstrates skills, abilities, and experience to effectively accomplish project tasks; ability to manage project personnel effectively so as to produce a quality product on time and within budget; proposer demonstrates current and past contract experience related to this project; positive past references from similar jobs; and
- Cost Effectiveness: proposed budget is realistic without being excessive; allocation of costs and staff resources to tasks accurately reflect the emphasis of the project workscope.

The panel found that the proposal submitted by Mundle & Associates, Inc. was well researched and demonstrated a mastery of the legislation and supplemental policies and procedures that provide the mandates and framework for each task. The proposal provided precise work plans for each defined task and proposed various approaches to assisting MTC with understanding recent trends in transit delivery throughout the United States that may be applicable to the Bay Area. Each individual project staff member had over 10 years of experience auditing and consulting for transit properties within the Bay Area and throughout the nation. Finally, the panel found that the budget proposed was reasonable for the work provided.

The proposed budget for the contract, subject to future years' budgetary allocations process, allots \$185,000 for the TDA audits (\$65,000 per year); \$165,000 for the RM2 Operating Reviews (\$55,000 per year); and \$300,000 for other professional review services and analyses (\$110,000 for FY 2009-10 and the remainder in FY 2010-11 and FY 2011-12.)

The panel unanimously recommended that the contract be awarded to Mundle & Associates, Inc.

Recommendation

Staff recommends that this Committee authorize the Executive Director or his designee to negotiate and enter into a three-year contract with Mundle & Associates, Inc. for services related to MTC's transit performance monitoring program in an amount not to exceed \$650,000, subject to the agency's budget approval process.

Ann Flemer

AF: CV

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REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Consultant Contract

Work Item No.: 1514

Consultant: Mundle & Associates, Inc., Philadelphia, PA

Work Project Title: MTC Transit Performance Monitoring Program

Purpose of Project: 1) Transportation Development Act compliance under (PUC § 99246); and
2) Regional Measure 2 compliance under Sections 30914(c) & (d) of the California Streets and Highways Code

Brief Scope of Work: Task 1 Triennial Audit of MTC and of the Transit Operators.
Task 2 Regional Measure 2 Operating Program Performance Review.
Task 3 Other Performance Review Professional Services, as needed.

Project Cost Not to Exceed: \$650,000

Funding Source: TDA = \$485,000
RM2 = \$165,000

Fiscal Impact: TDA: In MTC's FY 2009-10 budget at \$65,000 for audits to be conducted during FY 2009-10; will require budgeting \$60,000 each in FY 2010-11 and in FY 2011-12 for the audits to be conducted in those fiscal years;
RM2: In MTC's FY 2009-10 budget at \$55,000 for audits to be conducted during FY 2009-10; will require budgeting \$55,000 each in FY 2010-11 and in FY 2011-12 for the audits to be conducted in those fiscal years.
As needed performance review services (also TDA funded): \$110,000 in FY 2009-10 budget; future years will require yearly budgeting.

Motion by Committee: That the Executive Director or his designee is authorized to execute a contract with Mundle & Associates, Inc. for the MTC Transit Performance Monitoring Program, and the Chief Financial Officer is directed to set aside funds in FY 2009-10 up to \$230,000 for such contract, with the remaining contract funding to be distributed over FY 2010-11 and FY 2011-12 (subject to future year's budgetary approval processes) for a total amount not to exceed \$650,000.

Administration Committee:

Tom Bates, Chair

Approval Date: October 14, 2009