



METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

Agenda Item 3

TO: Operations Committee

DATE: March 6, 2015

FR: Executive Director

W. I. 1252

RE: Contract - Next Generation Clipper® System Consultant Support: IBI Group (\$5,000,000)

This item asks the Committee for approval to award a contract to IBI Group (IBI) to provide advice, management and other consulting services to support one or more procurements of the Next Generation Clipper® electronic transit fare payment (C2) system, and be responsible for overseeing the selection of, and work performed by, the selected contractor(s) developing and operating the C2 system. Staff is seeking approval for a contract term through June 2020 in an amount not to exceed \$5,000,000, with an option to extend up to an additional ten years in annual increments, subject to future MTC budget approvals.

Background

In 2013, MTC and the 22 participating transit operators began planning for C2. Together, MTC and the operators developed a scope of work for a consultant to advise and help manage the upcoming procurement of the C2 system service provider(s) and equipment supplier(s). The consultant may also directly support the design, prototyping, testing, installation, and, if needed, the monitoring of initial system performance against contractual requirements.

Procurement Process

On September 30, 2014, MTC issued a Request for Proposal (RFP) for the consultant support to the C2 project. The scope included support for system design, development, testing and transition to a new fare payment system and operations. The RFP provided for a contract period through June 2020 with options to extend annually up to an additional 10 years and included support of one or more procurements for the new system.

On October 8, 2014, MTC held a Proposer's Conference to answer questions and to provide a project overview. A total of 23 individuals from 17 firms, plus agency staff, attended.

By the due date of December 4, 2014, MTC had received three proposals from the following teams: Auriga Corporation; CH2M Hill, Inc.; and IBI.

The RFP included a number of minimum qualifications, including: that the proposer have completed at least one similar project; that the Project Manager have a minimum of 10 years of related experience; and that Task Leads have a minimum of five years of related experience. All three proposers met the minimum qualifications.

Evaluation Process

The proposals were evaluated by a panel of eight members made up of staff from MTC, the Alameda Contra Costa Transit District (AC Transit), the San Francisco Bay Area Rapid Transit (BART) District, Central Contra Costa Transit Authority (CCCTA), and San Francisco Metropolitan Transportation Agency (SFMTA). The panel was supported by technical advisors consisting of agency staff from MTC and the Santa Clara Valley Transportation Authority (VTA), as well as consultant staff from Invoke Technologies, Inc. Proposals were scored based on the evaluation criteria as listed in the RFP (Attachment A).

The panel members preliminarily scored each of the proposals individually and then met to discuss and receive input from technical advisors, and revise scores as appropriate. Based on the initial scores, the panel entered into discussions with all three proposers. Discussions were held January 16, 2015 and January 20, 2015. The purpose of discussions with each proposer was to confirm the panel's understanding of bid materials and to communicate specific deficiencies and weaknesses. Discussions took place through face-to-face meetings and follow-up written correspondence.

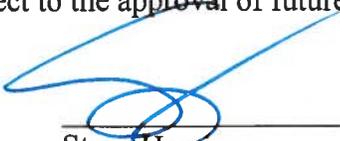
Following discussions, on February 6, 2015, MTC issued a Request for Best and Final Offers (BAFOs) to all three proposers. In their BAFOs, proposers were given the opportunity to revise their written proposals to address the concerns raised during discussions and to make any other changes. Following receipt of the BAFOs on February 19, 2015, the evaluation panel, with the assistance of technical advisors, evaluated the BAFOs against the evaluation criteria, and elected to short-list the two proposers that remained reasonably likely to be awarded the contract. A Request for Second BAFOs was then issued on March 4, 2015, seeking clarification of the cost proposals for the short-listed firms. The Second BAFOs were received on March 5, 2015, and the selection panel held a final evaluation meeting on March 6, 2015. The breakdown of the final scores for the short-listed firms is provided in Attachment B.

Evaluation Results

The panel recommends IBI as the proposer most advantageous to MTC and the operators based on the evaluation criteria stated in the RFP. IBI, teamed with ALCO Consulting, ALINC Consulting, The Transport Group, LLC, HDS Consulting, LTD, and Wardley Consulting Group, offers a multi-disciplinary team with experience in the procurement and implementation of complex federally-funded electronic payment systems like Clipper® and C2. The IBI team has specific expertise in all aspects of the proposed project in relation to the expertise sought by MTC. IBI ranked higher in all categories except Firm/Team Experience, where CH2MHill ranked slightly higher, and Cost Effectiveness, where scores were equal. In particular, the IBI proposal reflected fresh thought leadership and an innovative approach to the scope of work, with an emphasis on stakeholder and customer requirements. IBI is neither a small business nor a disadvantaged business enterprise; team member ALINC Consulting is a certified DBE.

Recommendation

Staff recommends that the Committee authorize the Executive Director or his designee to negotiate and enter into a contract with IBI Group in an amount not to exceed \$5,000,000 to provide Next Generation Clipper® System consultant support for a term through June 2020 with options to extend up to an additional ten years, in annual increments, subject to the approval of future MTC budgets.



Steve Heminger

SH: DT

Attachment A
Proposal Evaluation Criteria

The proposals were scored based on the following criteria:

1. Approach to the scope of work, as listed and described in *Appendix A, Scope of Work* (35%);
2. Proposer firm/team experience, in relation to the expertise sought by MTC; this may include information gathered by MTC through references (20%);
3. Staff qualifications, including depth and commitment of resources proposed to be assigned to the Project (20%);
4. Cost effectiveness (15%); and
5. Written and oral communication, as evidenced in the submitted proposal and through oral interviews, if held (10%).

Attachment B
Final Average Scores and Price Proposals

The following table shows the final average scores of the two short listed proposers based on their Second BAFOs:

Proposer	CH2M Hill	IBI Group
Approach (max 35 points)	29.8	31.8
Firm/Team Experience (max 20 points)	17.1	17.0
Staff Qualifications (max 20 points)	15.4	16.3
Cost Effectiveness (max 15 points)	12.0	12.0
Written/Oral Communication (max 10 points)	8.6	8.8
Total (max 100 points)	82.9	85.8

The second ranked proposal was from CH2M Hill, teamed with ARC Alternatives, Ernst & Young, Four Nines Technologies, Kimley-Horn and Associates, NWC Partners, Shiralian Management Group, and Solutions for Transit.

The price proposal for the two short-listed proposers is provided in the table below. Prices were estimated based on the preliminary Scope of Work included in the RFP. Actual prices and Level of Effort (LOE) will be negotiated at the Task Order level.

Team	Labor Hours	Labor Costs	ODC Costs	Total Costs
CH2MHill	23,817	\$4,934,710	\$25,000	\$4,959,710
IBI	24,813	\$5,160,428	\$530,000	\$5,690,428

Summary of Proposed Contract

Work Item No.: 2780

Contractor: IBI Group, Seattle, WA

Work Project Title: Next Generation Clipper® System (“C2”) Consultant Support

Purpose of Project: Provide advice and management services to support one or more procurement(s) of a transit fare payment system, and be responsible for overseeing the selection of, and work performed by, the selected contractor(s) developing and operating the C2 system.

Brief Scope of Work: Provide technical advice services through June 2020 with an option to extend annually for an additional 10 years.

Project Cost Not to Exceed: \$5,000,000

Funding Source: STP, CMAQ, STA

Fiscal Impact: Project costs are consistent with funds programmed and budgeted in the FY 2014/15 MTC budget.

Motion by Authority: That the Executive Director or his designee is authorized to negotiate and enter into a contract with IBI Group for Next-Generation Clipper® System Consultant Support as described above in the Executive Director’s March 6, 2015 memorandum, and the Chief Financial Officer is authorized to set aside \$5,000,000 for such contract, subject to the approval of future MTC budgets.

Operations Committee:

Jake Mackenzie, Chair

Approved: Date: March 13, 2015