

COMPETITIVE PROCUREMENT OPTIONS FOR TRANSIT SERVICE BEGINNING 2021

Should Board proceed with Request for Proposal, Request for Presentation, or Extension of current ILA?

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Background/Timeline

- The MUTD contract for transit services with DCTA is expiring December 31, 2020.
 - Board determined at June board meeting that the Board wanted to see an RFQ/RFP for transit service to begin January 1, 2021
- Discussions with FTA administrator revealed that if a traditional RFQ/RFP is publicly advertised, only private companies may respond, and public agencies will be precluded from responding to the request. Public agencies may respond to a request for presentations, using a process like MUTD utilized in 2017.
 - FTA states it would be improper for another public agency to compete with the private sector for the contract opportunity.
 - The request for presentations process would allow larger public agencies with existing framework for operations, maintenance, and administration to propose how they can work with CCT to realize MUTD goals.
- The MUTD Board will have to determine if it would like to move forward with the public agency procurement process, a private company procurement process, or continue to extend the contract with DCTA.



Considerations for Procurement Options

- **Timeline:** The current ILA expires 12/31/2020. Any procurement method the Board selects will need to be posted well in advance so that there is no disruption of service.
 - **Private Procurement** or **Public Agency Presentations:** 60-day timeline.
 - **Extension of ILA with DCTA:** The contract could be extended for another year, or for a “two-year contract with two-year extension” term.
- **Effect on MUTD Relationships:**
 - **Private Procurement:** The UZA could benefit from forming new relationships with private companies.
 - **Public Agency Presentations:** As the region continues to grow, the UZA could benefit from a strong relationship with a larger public transit agency in the region.
 - Consider potential impact of the Mobility 2045 plan, adopted by the Regional Transportation Council. The RTC serves as the MPO policy body for North Central Texas. The 2045 plan proposes passenger rail system expansion into the MUTD.
 - **Extension of ILA:** The UZA could benefit from maintaining the existing relationship with a large public transit agency.
- **Potential expenses:**
 - **Private Procurement:** Private companies are not beholden to the taxpayer and may have a higher cost associated with the use of their products/operators. Also, consider potential costs associated with signing new contracts for service. An all-included turnkey service from a private company could be expensive. Note: federal funding may only be allocated to operational or capital needs, not administrative expenses.
 - **Extension of ILA:** Any service model changes with DCTA could result in an increase in cost under new administrative fee structure adopted by DCTA and MUTD.

Considerations for Procurement Options

- Technology:
 - **Private Procurement:** There is high likelihood for finding a company that can provide CCT with a turnkey transit solution that implements routing software and AI technology.
 - Examples: Via, Spare Labs, Uber, Pantonium, RideCo, Ecolane, and other companies specializing in transit operations, planning software, and fleet management.
 - **Public Agency Presentations:** Both DART and DCTA employ on demand software for their service areas with data collection and user interface capabilities. Both agencies have the experience and resources to complete the CCT vision.
 - **Extension of ILA:** DCTA is contracted with Spare Labs for work in other regions. The existing CCT routing system does not implement a data collection and user interface platform but could be expanded using the Spare platform under DCTA's MaaS task-order.
 - MUTD's recent ILA extension with DCTA has expanded staff's ability to move forward with CCT's vision, but implementation phase is not yet complete.



Additional Considerations for Procurement Options

- **Private Procurement:** Engaging with private companies would require MUTD comply with federal requirements that under our current model are covered by DCTA. Examples: DBE goals, drug and alcohol testing requirements, and additional reporting responsibilities as required by FTA.
 - MUTD could consider procuring a turnkey service or multiple vendors for service. Multiple procurement requests would essentially be the start of MUTD's fully-fledged stand-alone transit agency— a potentially expensive endeavor.
- **Public Agency Presentations:** Staff will reach out to other public agency to present. There is a possibility that DCTA and DART would be the only two respondents as was the case in 2017.
- **Extension of ILA with DCTA:** DCTA Staff is taking their Mobility as a Service (MaaS) task order back to the board in August 2020. This MaaS contract would connect to many smaller vendors over an open API, allowing CCT to reach out to all eligible vendors contracted with DCTA.
 - This MaaS task order has not been implemented yet. Timeline on the implementation of the MAAS contract is TBD; the task order was initially approved by DCTA board in January 2019.
 - Rider concerns with DCTA primarily stem from issues with the subcontractor Irving Holdings – not DCTA itself. CCT can still grow with DCTA, as it is a large-scale provider of service and operations in the region.