BEFORE THE INTERNAL AFFAIRS COMMITTEE OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING A CONTRACT WITH CRAIN & ASSOCIATES, INC. FOR SUBURBAN TRANSIT FINANCE CONSULTING SERVICES	))))	RESOLUTION NO. 88-880 Introduced by Rena Cusma, Executive Officer

WHEREAS, The Metropolitan Service District and the City of Portland have received an UMTA grant for a Public-Private Task Force on Transit Finance, a component of which is a study of suburban transit options; and

WHEREAS, The services of a Suburban Transit Consultant are required for the conduct of the study; and

WHEREAS, A solicitation for proposals has resulted in the recommendation of Crain & Associates, Inc. as the Prime Contractor and JLM Consulting, a certified DBE, as subcontractor; now, therefore,

BE IT RESOLVED,

That the Internal Affairs Committee of the Metropolitan Service District approves entering into a contract in the amount of $19,924 with Crain & Associates, Inc. to obtain the services described in the attached Scope of Work.

ADOPTED by the Internal Affairs Committee of the Metropolitan Service District this 10th day of March, 1988.

Mike Ragsdale

Mike Ragsdale, Chair

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02/25/88

STAFF REPORT

Agenda Item No. 2

Meeting Date Mar. 10, 1988

CONSIDERATION OF RESOLUTION NO. 88-880 FOR THE PURPOSE OF APPROVING A CONTRACT WITH CRAIN & ASSOCIATES, INC. FOR SUBURBAN TRANSIT CONSULTING SERVICES

Date: February 25, 1988 Presented by: Richard Brandman

FACTUAL BACKGROUND AND ANALYSIS

Proposed Action

Approve the attached contract for $19,924 to provide suburban transit consulting assistance to the Public-Private Task Force on Transit Finance with the following consulting team:

Crain & Associates, Inc. (Prime Contractor)
JLM Consulting (Certified DBE at 29 percent)
Ron Serviss, Consulting Associate

Resolution No. 87-808, adopted by the Metro Council in September 1987, authorized application for a $300,000 UMTA grant to establish a Public-Private Task Force on Transit Finance.

Resolution No. 88-863, adopted by the Metro Council on February 11, 1988, authorized a contract for $110,000 to provide transit finance consulting assistance to the Public-Private Task Force on Transit Finance. Resolution No. 88-877, approved on February 25, 1988, authorized a $40,000 contract to provide assistance in addressing Central City transit issues. This Resolution, No. 88-880, is presented for approval of a $19,924 contract for a suburban transit planning consultant. This consultant will provide assistance in examining alternative service delivery methods for suburban transit service and develop a sketch plan for Tri-Met to consider.

The Request for Proposals was advertised in The Oregonian, The Skanner News, The Portland Observer, and The American Contractor and was mailed directly to 20 prospective consultants. Two proposals were received by the due date of January 15, 1988. However, one of the proposals did not meet or make a good faith effort to meet Metro's DBE/WBE goals and the other proposal was deemed by a four-person evaluation team to be somewhat unresponsive to the RFP. The due date was, therefore, extended until February 5, 1988, and a notice was sent to all consultants previously contacted.

On February 5, 1988, Metro received new proposals from Crain & Associates, Inc. (including 29 percent DBE) and JHK and Associates, Inc. (including 15 percent WBE) and a revised proposal from TDI, Inc. (including 15 percent WBE) One proposal again failed to meet the DBE requirements.

Basis for Recommendation

An evaluation team consisting of Richard Brandman (Metro), Ross Roberts (Tri-Met), Mark Brown (Washington County), Joan Jones (Clackamas County), and Steve Iwata (City of Portland) screened the proposals and agreed that two stood out and should be interviewed. Those firms were Crain & Associates, Inc., and TDI, Inc.

Interviews were conducted by staff from Metro, Tri-Met, and Washington and Clackamas counties on February 18, 1988. A series of questions were asked and the following criteria were used to judge the proposals:

Criteria	Possible Points
Proposer's understanding of the project objective for the suburban transit component of the overall project;	20
Effectiveness of the proposed work plan in meeting the project objectives;	30
Extent of experience of proposed staff in suburban transit operations and cost;	20
References for successful projects; and	15
Cost of proposed service.	15
	100

The Crain & Associates, Inc. team received an average score of 93.5 and the TDI team received a score of 83. Following a check of references, the evaluation panel recommended that Crain be awarded the contract.

Listed below is the team and their contractual amount:

Project Team Member	Cost
Crain & Associates, Inc. (Prime Contractor)	$13,574
JLM Consulting (Qualified DBE/WBE at 29%)	5,800
Ron Serviss, Consulting Associate	550
Total Contract	$19,924

The proposed contract between Metro and Crain & Associates, Inc. will be the standard Metro contract with federally mandated clauses. The draft Scope of Work is shown on Attachment A.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of the contract with Crain & Associates, Inc.

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ATTACHMENT A

SCOPE OF WORK

This attachment constitutes the Scope of Work for the contract between Crain & Associates, Inc. (Contractor) and the Metropolitan Service District (Metro) on behalf of the Suburban Transit Subcommittee of the Public-Private Task Force on Transit Finance in the Portland region.

Contractor will act as prime contractor and William Welch will act as project coordinator for Subcommittee work, and will carry out the following responsibilities:

Overview

Contractor is the key resource to the Technical Advisory Committee and shall have primary responsibility for the collection, organization, and dissemination of background data and reports, and for the ultimate production and presentation of project results.

By April 15, Contractor shall provide the following:

Task 1: A technical memorandum summarizing alternative suburban transit delivery methods in the United States and Europe. This report will address their advantages and disadvantages and their comparative costs to Tri-Met service. The report will also include organizational and jurisdictional structure, labor problems and impediments, and a thorough look at any special financial or taxation arrangements put in place to facilitate implementation.

By April 29, Contractor shall provide the following:

Task 2:

1) A technical memorandum specifying at a sketch planning level, the range of possible suburban transit service levels (in terms of weekly service hours) required to meet the needs of the Portland region within the next 10 years and a range of possible public subsidy requirements and capital costs based upon the different service delivery methods available.

2) A presentation and discussion with relevant staff of the findings to date.

By June 6, Contractor shall provide the following:

Task 3:

1) A draft report documenting in detail the findings of the study. The report should include alternative

service delivery methods in use or proposed that may be suitable in the Portland region. The report should also document the operating costs, characteristics, quality, and institutional arrangements associated with each alternative.

2) A presentation to the Subcommittee of the detailed findings.

By June 30, Contractor shall provide the following:

A final report as described above in Task 3.

Detailed Scope of Work

The products and services listed above will be developed in accordance with the detailed Scope of Work submitted by Contractor, as shown in Attachment B, which is subject to amendment by the Public-Private Task Force Management Committee.

Subcontractors

In carrying out the above described services, Contractor shall subcontract with JLM Consulting and Ron Serviss, Consulting Associate.

Payment to Contractor

Contractor shall be paid for services performed under this Agreement according to Attachment C.

ATTACHMENT B

Scope of Work
Crain and Associates

TASK 1: REFINE WORK PLAN

At the outset of the project we would meet to review project objectives, key issues, the project schedule, chart expectations, and the work plan. A schedule would be set for progress review and making presentations to the steering committee and/or advisory committees. Any clarifications or redirection of the work plan would be provided as a product of this task.

TASK 2: REVIEW OF AVAILABLE DATA

The purpose of this task is to allow us to become familiar with the available information regarding current and projected demand for suburban transit services, and with the projected changes in the geographic distribution of demand in the study area. Depending on availability, we will compile all relevant information on origins and destinations for work and non-work-related trips, transit system utilization characteristics such as peaking factors, demand by time-of-day, and average trip length. This is a preliminary step, aimed at identifying the density of trips and trip characteristics in the area under study to guide

our research in innovative service delivery methods in other locations that may exhibit comparable characteristics, and allow more meaningful extrapolation to the Portland area. Cost/revenue information will be compiled at a level of aggregation that will permit relevant comparisons with the information obtained from transit systems around the country and from selected systems abroad. We will also be sensitive to hidden costs which may result from the combination of individual service components and that could have a significant impact on the economic viability of certain service options For example, it may be necessary to identify the share of administrative or maintenance (overhead) costs for a specific (existing) transit route, if it is combined with a new dial-a-ride (DAR) system.

Our extensive experience with transit service innovation and system restructuring projects enables us to perform this review task with a clear sense of the specific types of key data we are looking for. This will allow us to maximize the usefulness of the information available from both Tri-Met and the various other transit systems to be investigated in Task 2.

TASK 3: SURVEY OF SUBURBAN TRANSIT DELIVERY METHODS

General Approach

The survey of suburban transit delivery methods will encompass four major aspects. First, a list of candidate areas for the survey will be drafted in close consultation with Tri-Met and Metro staff, drawing on our own team resources, previous relevant work, and contacts, and using information available through the Transportation Systems Center and UMTA's Public Transportation Network. A TRIS file search will be conducted as well, to identify other relevant studies. Second, we will compile information regarding the geographic development, demographic, and trip-making characteristics of the areas served by the systems studied. This information should allow meaningful comparisons and a safe degree of extrapolation of service option

features to the Portland region. Third, we will gather information about the specific system components, technological characteristics, costs, labor and other requirements, and methods used by those transit systems in the provision of suburban services. Third, we will document available information regarding the institutional environment and the arrangements that were found to be necessary to implement the service options being investigated at each particular location. This will include organizational and jurisdictional structure, labor problems and impediments, and a thorough look at any special financial or taxation arrangements put in place to facilitate implementation and ongoing funding.

The project will benefit directly from our recent experience with several studies dealing with innovative approaches to suburban transit operation in California and Washington. We will be able to draw on our established relationships with those operators, as well as with many of the transit systems that demonstrated new approaches as part of the nationwide Public Transportation Network, a transit information exchange system which Crain & Associates successfully operated as an UMTA demonstration project. Operators will be contacted by mail, using questions tailored to their individual systems, but designed to yield data that may be easily standardized for cross-comparison later on. Telephone follow-up contacts will contribute to ensure a high degree for cooperation by operators in providing information, in addition to the data already available to us.

Key Aspects of Some Service Options

Dial-A-Ride

Beyond familiarizing the Task Force subcommittee with a range of possible costs and service options for providing suburban transit service, we will provide, where appropriate,

insights into the key factors that will bear on the analysis of certain service alternatives. Our experience in the evaluation of the Orange County Automated Dispatching Dial-A-Ride demonstration project for UMTA/TSC, for example, shows that the adequacy of the dispatching function can be central to the success of an entire DAR operation. The survey of suburban DAR operations in other cities will therefore focus on some of those key issues, such as the effectiveness of the dispatching techniques used, and the reliability of the routing and dispatching software, if the system is computer-assisted. Information will be provided about the reliability of the whole operation, to ensure that its performance capabilities are clearly understood. In the case of computerized operation we will describe backup capabilities to provide a sense of the degree of complexity of the software used to accurately replicate the area's road network.

Fixed-Route

We propose to review such suburban fixed-route operations as the commuter bus clubs operated by Golden Gate Transit, in the San Francisco Bay Area, and Yolo County, in the Sacramento area, as they may offer options for providing extra peak-hour capacity while allowing the development of an entirely different service method in the off-peak. We researched both private and public sector examples of this type of service in recent work for Contra Costa County, California.

Taxicab

Several locations around the country, such as the City of San Diego, California, are either contemplating or already operating services under contract with taxicab service providers. Various compensation systems, including direct subsidization, user-side subsidies through issuance of scrip to regular users, and various other arrangements, will be documented at this stage. Nancy Chinlund from our staff has been engaged in on-going research on

the San Diego project, and will be able to provide expert knowledge of it.

Feeder Services

We will compile information about operating and efficiency characteristics of suburban transit routes acting as feeders to LRT operations such as those in Pittsburgh, PA, Sacramento and San Diego, CA. We will also draw on the experience of our team in the recently completed study of an "Employer Sponsored Shuttle Service in the Golden Triangle", in Santa Clara County, California, as one example of the range of possible options for private sector involvement in LRT feeder services involving suburban worksites and residential areas.

Private Sector Involvement

To produce as complete a picture as possible of all available options that may result in increased service and cost efficiencies, we will document, where relevant, the involvement of the private sector in the provision of specific services, ranging from peak-hour additional bus capacity, for fixed-route systems, to maintenance or dispatching functions for bus or DAR van operations. This approach will allow us to provide a better, more complete and realistic range of service options in Task 3.

Institutional and Funding Aspects

Institutional and labor considerations, as well as funding arrangements, will be carefully documented for each of these options. Some alternatives may require jurisdictional or other institutional changes before they can become viable options for service delivery in the Tri-Met area under study, or before they can even become eligible for certain financing options. Where available, we will document the length of the implementation process associated with such alternatives, in the areas where they

were adopted, and we will devote special attention to the feasibility of implementation in stages. Our recent work on the Pierce County (Washington) Transit Privatization Study provided valuable insight into the contractual, procedural, and other institutional aspects of service options that include private sector provider involvement.

TASK 4: DEFINITION OF ALTERNATIVES

Technical Approach

In consultation with Tri-Met and Metro staff, we will develop possible service level scenarios using the data obtained in Task 1, regarding projected transit service demand and distribution of trips both geographically and by time of day. As a first step, the number of projected trips to be served will be compared with the capacity of the various service-mix options. For example, we will draw on existing transit industry data, and on our own experience, to determine estimates for the average number of trips per hour likely to be served by a DAR system under specific circumstances (including average trip length, type of operating techniques, dispatching, etc.)

Taking into account the distribution of demand over time and throughout the area to be served, we will arrive at estimates of vehicle service hours needed to satisfy the demand. With this information, and using cost per hour figures obtained from the surveys efforts mapped out in Task 2, we will calculate total costs for each service option. Then, using the number of trips per hour and appropriate fare levels, system revenue will be calculated to in turn derive net costs and estimate subsidy levels.

Special Considerations

Special care will be taken throughout Tasks 2 and 3 to single out cost components that are likely to have significant impacts on the total cost of a service delivery option, especially in the medium or long term. For example, beyond looking at driver salaries, we will try to identify labor costs or efficiencies (for instance in administration, maintenance or dispatching) that may result from expansion, combination of modes, or privatization of certain functions. Other less obvious cost factors, such as early fleet obsolescence, may have an impact on the evolution or escalation of the overall cost of an alternative over the planning period.

The definition of alternatives will also take into account the concept of threshold levels for such system components as maintenance facilities, dispatching and communication equipment, and the fleet itself. This may be particularly relevant for a mix of alternatives.

We will draw from our recent experience in developing innovative approaches to suburban transit service provision: in the Strategic Plan Study for the Central Contra Costa Transit Authority (in the Bay Area) and the Countywide Transit Needs Analysis for San Joaquin County, California. Both are growing regions, with rapidly expanding employment markets and suburban land development patterns.

In conclusion, beyond essentially providing a matrix of possible service options and costs, our approach will afford a more meaningful perspective on operating flexibility, ease of implementation, true expected costs and, in summary, the likelihood of successful adaptation of different alternatives to the Portland case.

TASK 5: DOCUMENT APPLICABLE SERVICE DELIVERY METHODS

The purpose of this task is to fully describe the service delivery methods found in Task 4 to be suitable suburban service area candidates. Preliminary candidates that were found to be unsuitable will be accounted for by describing the evaluation process used to reject them. The description will serve as a resource document for subsequent service planning. The following information will be included, as outlined in the RFP:

- operating characteristics such as route design, ridership, headways, hours of operation, vehicle requirement, driver salary;
- operating cost per hour and per vehicle mile and the portion of the cost attributable to the driver;
- quality of service measures such as on-time reliability, ease of use by riders;
- community setting for the transit service now in operation in other cities including development pattern being served, population characteristics, trip purpose and pattern, mode split and source of operating subsidy (i.e., transit district, city, county, private);
- institutional arrangement for service delivery; and
- institutional setting including any barriers to innovation posed by organizational structure or labor contracts, how these barriers were surmounted and what costs can be attributed to overcoming these constraints.

We propose to assemble most of this information in Task 2. Much of it is in our research files, and the balance could be most efficiently collected in initial contacts with system representatives. Putting the information in final form, as called for in this task, will then be a relatively simple task with only a few follow-up contacts necessary.

TASK 6: FINAL REPORT

A final report will be prepared describing the procedures used in the study and fully documenting the findings. The

centerpiece of the report will be the comprehensive description of alternative service delivery methods. However, documentation of the process used to identify and determine the suitability of the methods is equally important for giving the report value and credibility. Multiple copies of the draft report will be prepared for review. Subsequent to review and revision, a camera ready final copy will be prepared.

ATTACHMENT C

BUDGET AND PAYMENT

Contractor shall be paid for services rendered up to the maximum budget of $19,924.00 according to the following schedule of billing rates (including salary, fringe benefits, overhead and profit):

		Rate	Cost	
1.	Crain & Associates, Inc.			($13,574)
a.	Wm. Welch at	$50.66/hr.		
	D. Koffman at	$59.14/hr.		
	N. Chinlurd	$49.10/hr.		
	C. Chambers at	$44.64/hr.		
	Clerical at	$25.67/hr.		
b.	Administration of Subcontractors		$ 638	
c.	Travel		2,267	
d.	Telephone		218	
e.	Word Processing		136	
f.	Reports and Copies		109	
g.	Materials and Supplies		55	
2.	JLM Consulting			($ 5,800)
a.	Principal at	$40.00/hr.		
b.	Travel		$470	
3.	Ron Serviss			($500)
a.	Principal at	$27.50/hr.		
4.	GRAND TOTAL			$19,924

Contractor shall submit monthly itemized billings detailing services rendered and hours worked to the nearest tenth of an hour. Metro shall pay Contractor within 30 days of receipt and approval of such billings.

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