



## **Addendum #1**

**September 8, 2016**

### **REQUEST FOR Proposals**

**Project:** GoRaleigh Transit Management Services  
**Proposal Number:** 08182016-007  
**Proposal Manager:** David Eatman  
**Phone Number:** 919.996.4040  
**Due Date:** September 22, 2016 2 PM

#### **General**

A non-mandatory Pre-proposal Conference was held at: 2:00 p.m., Thursday , September 1, 2016 at 4104 Poole Road, Room #123, Raleigh, NC 27610. The list of attendees, along with other project information, is available for download from: <http://goraleigh.org/news>. All information related to the project is also housed on this web site.

#### **Minority Participation**

This project includes Federal goals of 13% DBE participation.

#### **Questions**

Following are the questions with answers that were received prior to the deadline listed in the RFP.

1. Please confirm that the City is requiring a renewable performance bond in the amount of 5% of the annual value or for the entire 5 year contract value. **5% of the annual awarded contract.**
2. Please clarify if the DBE goal is 13% as stated on page 64 of the RFP or 15% as stated on page 43 of the RFP. **13% is the goal.**
3. Pension: Who is responsible for the shortfall if the contractor is unsuccessful in negotiating increased employee contribution with the Union? **City of Raleigh (COR) will fund the plan if needed.**
4. Pension: Please confirm that GoRaleigh will continue to fund the Pension Plan? **GoRaleigh will continue to match the payroll contribution as prescribed in the labor contract. If a shortfall were to occur, the COR would maintain the liability.**
5. Health & Welfare: Today non-union employees are eligible to participate in the City health plan. Please confirm that non-union employees will continue to be eligible to continue participation in these Plans including current and new hires going forward? **Under the Management Fee option nonunion employees will continue to be offered the City of Raleigh insurance benefit. New Positions [authorized by the CoR] will also be eligible. Under the Service Fee option all insurance would be responsibility of the contractor.**
6. Pension: Please confirm that the City will continue to contribute and maintain the liability and funding responsibility of the Pension. **Yes, City of Raleigh will continue participation in liability and funding.**
7. In the Introduction, pg. 60, The City is requiring the Management Company to provide a \$500,000 fidelity/surety bond. Would the City modify the requirement from a fidelity bond to commercial crime policy in the amount of \$500,000, as fidelity bonds are no longer available for large companies? Commercial Crime policy covers losses that incur as a result of fraudulent acts. **Yes, A Commercial Crime policy is preferred.**
8. Based on our interpretation of the RFP, specifically Part 3.4B and 4.6B, proposers are to submit one Technical Proposal for the Management Fee Option and a separate Technical Proposal for the Service Fee Option. Please confirm. **Only one proposal package is required, however ensure that the 2 technical proposals address all items addressed in sections 3.4B and 4.6B.**
9. Is there a page limit or other restrictions on the Technical Proposal(s)? **No page limit was provided in the RFP. Brevity is appreciated.**
10. Can a proposer submit on just one Option? **Proposals will be evaluated based on the completeness of content of each submission. Omission of critical components could impact proposal score, however it will not result in a decision of 'non responsive' unless our Purchasing Department directs otherwise.**

11. Is the Performance Bond required for both Options? **The Performance Bond will be based on the amount of the first year of the contract. The bond is due within 10 days after "Notice of Award is received".**
12. Who is the current employer of the GoRaleigh employees? **TransDev.**
13. What is the employee census (age, gender, zip code) pertaining to wages, health benefits i.e. single, employee plus one, family? **Will be provided on 9/9/2016**
14. Please confirm the total number of employees for each Option? **Will be provided on 9/9/2016**
15. Approximately what percentage of these employees work on average 30 or more hours per week? **98.8% All employees covered by the bargaining unit contract are full time. There are only 3 part time administrative employees.**
16. What is the current hour's threshold for eligibility of group health coverage? **30 +**
17. Are there any other eligibility conditions for group health coverage besides hours worked? **No**
18. How many employees subject to the contract are eligible for the group health coverage? **236**
19. What is the waiting period for new hire eligibility for group health coverage? **The first of the month following 30 days employment.**
20. Are any of the employees subject to the contract "variable hour" employees? (A "variable hour" employee would be an employee for whom it cannot reasonably be determined at the time of hire whether they will work on average 29+ hours per week.) **3**
21. Please provide a summary of benefits and coverage for each group health plan benefit option. What are the required employee contribution rates for each group health plan benefit option – rates for employee only, employee + spouse, employee + children, family, etc? Is the group health plan self-funded or fully insured? **Fully Insured –Labor contract employee's contribution rates are defined in the contract. Admin rates are similar and will be provided. Attached**
22. Are required employee contributions made by means of pre-tax salary reduction elections? **Yes**
23. What ancillary products are currently offered and what is the current employee contribution? **Attached. Dental, vision, long term disability, life insurance, 401k match. Labor contract employee's contribution rates are defined in the contract**
24. Due to the ever-changing regulations related to the Affordable Care Act and the unknown costs associated with complying with the mandates, it is difficult to forecast future costs. Will a cost adjustment be allowed under the contract to

- compensate for significant changes to comply with the ACA Proposer should submit an initial insurance cost for premiums during the first year with a 5 % annual increase. This will ensure each proposer has the best initial cost identified in year 1 with a constant increase for years 2-5. The City will negotiate with proposer for adjustments over 5% annually if needed and a service fee contract is awarded.
25. Are there any contractual obligations regarding property insurance? City of Raleigh covers the buildings and property. Contractor is responsible for Primary Auto; Primary General Liability and Umbrella Excess Liability.
  26. What is the square footage of each facility we would need to insure? N/A
  27. Can you provide the current wages and benefits for non-bargaining unit staff? Attached. See question 23 for additional benefits.
  28. Can you provide the seniority list for the bargaining unit? Attached
  29. Can you provide the daily weekday, Saturday and Sunday revenue and deadhead hours and miles for the first year of the Contract? Attached
  30. Please confirm proposers are to base our pricing for the Service Option on 250,130 revenue hours? Confirmed.
  31. How many weekday operating days, Saturday operating days and Sunday operating days? This will vary year to year depending on the dates of certain Holidays. There is NO SERVICE on Christmas and Thanksgiving Day. MLK Jr and Memorial Day we operate on a Saturday Schedule. July 4<sup>th</sup>, Labor Day and New Year's Day we operate on a Sunday Schedule.
  32. Can you provide the AM daily pull-outs and the PM daily pull-outs? Weekday 78 AM 80 PM; Saturday 50 AM 50 PM; Sunday 22 AM 22 PM
    - a. Can you provide peak vehicles by weekday, Saturday and Sunday?
    - b. Weekday 80 Saturday 31 Sunday 16
  33. Under the Services Option, how many non-revenue support vehicles have to be provided by the Contractor? City of Raleigh will continue to supply non-revenue support vehicles at reasonable levels. List attached.
  34. Under the Services Options is the Contractor responsible for the maintenance of the provided facilities? Contractor will be responsible for all day to day maintenance of the facility [upkeep and oversight]. Capital replacements of major systems will be the responsibility of the City unless neglect is determined on part of the contractor.
  35. Can you provide the current rates paid to the existing contractor? The current/final year contract price is \$392,605.
  36. Will we be able to use facility during transitions for interviewing and training? Yes

37. How many vehicles will be made available for training during the transition?  
Management Company shall provide for vehicles for training that would occur outside of the defined contract period, if needed.
38. For Services Option, what are the annual averages of the utility costs for the facilities we will occupy? FY 16- \$286,048; FY 15- \$217,956 FY 14- \$228,289
39. Please provide the list of DBE subcontractors/vendors currently being utilized.  
13% is the goal for the contract. Contractors should attempt to utilize vendors with DBE certifications for ancillary contracts such as landscaping, fuel purchases and deliveries needed on an annual basis. GoRaleigh/COR's DBE goal must be met across all federally funded contracts.
40. Is the City of Raleigh threshold of 13% DBE participation currently being met?  
The City of Raleigh's DBE threshold is currently being met across all federal funded contracts.
41. Regarding the Mechanic staffing, what is the Class breakdown between A, B, C and what System Certifications does each Mechanic have? Attached, System Certifications not available by employee however, they are reflected in the wage rates provided.
42. In Section 4.6B, Part 3. Description of Personnel – please clarify the requirement. For the response to these questions, the City of Raleigh requests that proposers provide both our corporate staffing and how we plan to staff out GoRaleigh operations? We are interested in your recommendations for GM and Director Level staffing [if changes are suggested] for the service fee option as well as immediate support staff [Regional VP's or Regional Directors] that the local staff would report to. If so, are you requesting staffing information for all of our Contracts as well? We are not interested in staffing for other contracts. For the question: "What is your salary structure and benefit package for management and administrative employees," this information for our corporate staffing and our Contracts is proprietary and we cannot provide. A general description of benefit packages and salary ranges for staff proposed on this contract shall suffice for this requirement.
43. Can you provide the amount of liquidated damages that were assessed last 12 months? The current Management contract has no liquidated damage clause.
44. Respectfully, would the City consider extending the due dates in order to provide a full and comprehensive submission for the following:
- Submission of questions to 09/07
  - Proposal due date by three weeks.
- The City will not extend the submittal deadlines.
45. DBE participation – Please confirm that there is no DBE required goal for the contractor, and that a good faith effort is not required. The City of Raleigh/GoRaleigh has a 13% goal for DBE on all Federally funded projects.
46. Please indicate how long the current contractor has held the management contract.  
The current contractor has held the contract since the early 90's.
47. Please provide a copy of the current contract with the service provider. attached
48. Please provide 3 months of invoices from the current service provider. attached

49. Please provide the revenue hour definition for the submission of the per vehicle revenue hour unit price in Appendix A. **Revenue Vehicle Hour — The measure of scheduled hours of service available to passengers for transport on the routes, equivalent to one transit vehicle traveling in one hour in revenue service, excluding deadhead hours but including recovery/layover time. Please review section 4.0 closely**
50. Please provide the current rates of pay for each individual vehicle operator and mechanic covered under the provided CBA – Seniority list of employees. **attached**
51. Page 85 directs proposers to organize the proposal in 12 sections; however, page 61 and the evaluation criteria on page 107 provide additional requirements for the proposal. Please provide clarity regarding the format of the technical proposal; can you confirm all proposals should follow the format on page 85, and provide guidance on how/if bidders should identify other required information within the technical document (i.e. cover it within the 12 sections, include a separate section, call it out within the proposal?) **Page 61, is for the Technical proposal information needed for the Management Fee option. Page 85 is Technical information needed for the Service Fee option. There should be two separate Technical proposals, one for each option. Any items requested on page 107 [Evaluation Criteria] not specifically called out on pages 61 and 85 may be covered in an additional section of the Technical proposals.**
52. Page 91 requires extensive detail regarding all transit contracts; our company operates more than 200 contracts – will the City allow this data to be provided for the 10 most similar contracts? **Approved**
53. Page 63 requires bidders to provide a 5 year history for contracts of similar size. Some of this data is considered confidential; as such we respectfully request the City remove this requirement, or alternatively, allow bidders to provide a summary statement demonstrating averages of these costs at similar properties. **This information is requested for the Management Fee option. All costs associated with a management fee other than the direct employee information should be pass through costs and public information.**
54. Appendix D Respondent’s Questionnaire, question 5: Please waive the resume requirement for Board of Directors and Officers. **Approved. However we will require resumes on all proposed Management personnel for the Service fee option and Management fee option.**
55. Please clarify how proposers will receive addenda, will they be available online on the City website or will they be emailed to each proposer, and if so may we confirm the contact person? **All addenda will be sent out electronically to the Contact List of persons requesting the RFP.**
56. The Org Chart appears to have 2 staff of the Contractor and the remainder of the staff are City employees. Please clarify. **The org chart has 2 transdev employees that are paid from the management contract fee. All other employees in the org chart are Transdev employees paid via a monthly fund transfer from the City of Raleigh.**
57. For Appendix B, will all bidders have to include employees shown in the Org Chart, except the management contract component, in the detail? If yes, please

- provide the rates of pay for each employee. See Attached. Any proposed additions or reductions in personnel from those shown in the org chart should be clearly identified and explained in your proposal.
58. For Appendix B, are bidders required to develop the cost based on how they would staff and operate the fixed route services or based on the staffing shown in the org chart? If the former, will all bidders be reimbursed at the revenue service hour rate? Proposers may bid based on how they would staff and operate the fixed route services. However, any proposed addition or reduction in personnel from those shown on the org chart should be clearly identified and explained in your proposal.
  59. Please confirm that there is staff currently provided by the City to support the AVL system. If not, should all bidders include that cost in the management component or the fixed route service component in Appendix B? GoRaleigh currently supports the AVL system with existing GoRaleigh maintenance staff and service contracts that are a direct cost of the COR.
  60. Please indicate whether the exterior of all 99 vehicles must be washed daily. Please indicate whether there is an automatic drive through bus wash at the facility. All vehicles in service are fueled and cleaned internally at the end of the day and then driven through a bus wash. This is a daily requirement.
  61. Please indicate what type of fare boxes are on the vehicles. Please indicate if an armored car service is used to drop off fares to the City bank account. If yes, please indicate if the contractor is responsible for this cost and is then reimbursed by the City. Genfare Fareboxes. GoRaleigh is responsible for armored car service via the management fee option as a pass through cost. Under the Service fee option, armored car service would be responsibility of the contractor.
  62. Please confirm this is a management contract. If yes, is there a cost proposal form that all bidders should use to submit this cost? Section 3 is for a management fee option. Section 4 is a service fee option. Pricing for the Management fee option can be added on a separate page at the end of your Technical proposal for section 3.
  63. Please indicate whether all bidders will have to pay for all costs for operating the service, which are then reimbursed to the contractor after submitting detailed invoices for reimbursement. Under the management fee option, the COR advances 1/12<sup>th</sup> of the annual budget to the contractor monthly. Under the management fee option, reconciliation from budget to actuals occurs monthly. Under the Service Fee option, Contractor is responsible for costs of operating the service and reimbursement will be based upon the hourly rate proposed for revenue hours and paid monthly.
  64. Please indicate whether the Contractor will prepare all the payroll tax filings for all the employees (e.g. drivers and administrative personnel) of the fixed route service contract under the management contract component. Yes, Contractor and/or GoRaleigh staff will be responsible.
  65. Please indicate whether the Contractor will process all employee (e.g. drivers and admin personnel) payroll out of the contractor provided payroll processing system, and issue payroll checks to all drivers under the management contract component. Yes, Contractor and/or GoRaleigh staff will be responsible.

66. Please provide a list for central services employees with titles that are provided under the management contract component. Please provide the hire date and rate of pay, if available. **GoRaleigh org chart is an attachment on the RFP. Wages and hire dates are attached.**
67. Please indicate whether all expenses for operating the fixed route services is paid out of a City provided bank account. **Contractor shall provide a bank account that would receive a monthly wire transfer. Under the management fee option, the COR advances 1/12<sup>th</sup> of the annual budget to the contractor to pay monthly invoices and payroll. Contractor would submit a monthly invoice for the Service fee option based on their hourly rate proposed.**
68. Please clarify if the contractor will have to provide a fidelity bond or a surety bond as these are two different types of bonds. **A Commercial Crime Policy would actually be more beneficial to the City. Risk Management would agree that it would be the better risk protection.**
69. Please indicate whether the 5% performance bond will be based on the year one price, renewed annually for each respective year or 5% of the 5 year contract price, renewed annually less the year of the contract that has been completed. Please indicate whether this will be for the management contract component or the fixed route services component. **A 5% bond is required for the 1<sup>st</sup> year of the contract and then renewed annually.**
70. The RFP indicates "9. Discuss administrative and financial control methods and measures intended by the proposer in the areas of payroll, purchasing, general accounting, insurance and risk management, etc. The City of Raleigh will require monthly financial statements and full accrual routed through City accounts and subsequently reimbursed." Please provide additional details and the expectation the City has for the Contractor (e.g. If a management contract only, will the contractor have to pay for these costs and then be reimbursed?) Is this a requirement for the management contract component only? **Yes, this section refers to the management fee option only. Under the management fee option, the COR advances 1/12<sup>th</sup> of the annual budget to the contractor to pay monthly invoices and payroll.**
71. The RFP indicates "The Contractor shall provide an employee[s] to staff the information booth at the GoRaleigh Station Terminal." Would the cost for staffing this position be included in the management contract component cost or the fixed route service cost in Appendix B? **This would be a pass through cost under the Management fee option and a cost of the contractor under the service fee option. This position is included in the ORG Chart provided in the RFP.**
72. Appendix B – Projected Cost/Profit Form for Fixed Route – Please clarify that the City is asking for contractors to price each of the items under Labor, Start-Up, Maintenance & Operations and Miscellaneous Costs as a full turnkey operation with 100% of these costs being incurred by the contractor and being put into the per revenue hour rate provided for in Appendix A. **Yes, However FUEL and PENSION shall be noted as COR direct expenses and not calculated into your**

revenue hour pricing, along with any cost above the 5% annual HEALTH INSURANCE escalator.

73. Appendix B –Please provide the last 12 months of cost for the following listed in Appendix B:
- a. Labor - #'s 1–6
  - b. Maintenance and Operations - #'s 1–35
  - c. Miscellaneous Costs - #'s 1–5.

Will be provided on 9/9/16

74. Fuel – For the full service per revenue hour rate please confirm if the contractor will be responsible for the cost of fuel. **COR will fund fuel as a pass through cost on both contract options.**
75. Vehicles – For the full service per revenue hour rate submission please provide the following additional information relative to fleet:
- a. Please provide a description of any on-board technology currently installed on the fleet. Please provide information regarding ownership, responsibility in maintenance, repair, and replacement. If on board technology is owned by the City, will the new contractor be expected to purchase and/or replace it? **The City of Raleigh purchases all on board technology, such as Cameras, AVL/talking bus system, Modems, etc. Maintenance, repair, and replacement are an expense of the contractor as would be any other parts on the bus.**
  - b. What type and number of support vehicles are currently being provided by the City? **Attached** Please confirm that these support vehicles will be provided to the contractor. **YES** Will the contractor have responsibility to supply fuel and maintenance to these vehicles under the per revenue hour rate pricing? **Fuel costs are a pass through on both options, maintenance is a cost of the contractor.**
  - c. Please provide information on the provided fleet to include engine type, fuel type, current odometer readings, average miles per year and the service type the vehicle is most used for. **Cummins engine, Diesel buses used in fixed route operation. See attachments for miles/odometer readings.**
  - d. Please confirm that all on-board vehicle items related to technology, fare boxes, radios etc., will be provided by the City at no cost to the contractor and all replacement and maintenance of these items will be either the responsibility of the City or serve as a direct pass through cost from the contractor to the City. **All initial purchases are provided by the City. Contractor is responsible for maintenance and replacement of parts, except for engines and transmissions.**
  - e. Please clarify if the Contractor is responsible for engine and transmission overhauls for the revenue fleet. Please provide the last 12 months of history for major component replacement and repair for the provided fleet for this contract. **Engines and Transmissions are capitalized by the City.**

76. Vehicle maintenance – Please clarify all tools and equipment that will be provided to the contractor by the City to provide maintenance on the vehicles under the per revenue hour pricing submission. **GoRaleigh's shop is fully equipped for day to day maintenance activities. Employee tools are personally owned and the only items that would be removed if a different contractor is awarded the contract. Routine maintenance of tools and equipment and replacement of same shall be responsibility of the contractor if needed.**
77. In the next five years, what are the three most important things the City of Raleigh wants to accomplish/change with the proposed service? **All proposers shall respond to the requested items within the RFP .**
78. Building and Grounds maintenance – Please confirm that in both price submissions (management only and per vehicle revenue hours submission) that the contractor has no responsibility for building maintenance and repair, as well as landscaping and grounds. If this is not the case please provide detailed explanation of the responsibility and any costs associated with these items over the last 12 months of the contract. **Under management fee this is a pass through cost. Under the Service fee this would be the cost of the contractor. An attachment is provided on previous costs. See question 34 for additional information.**
79. Please provide the performance standards and/or any other aspects of performance which will be used for measuring the Contractor's performance under the new contract, for both the management and per revenue hour submission. **All Performance standards are listed within the RFP.**
80. Please clarify the amount of vehicles used in revenue service by day of week and the maximum amount of vehicles used at peak service time for each of the services described in the RFP. **Attached and/or provided in Question 32.**
81. For the purposes of insurance and wage costing, please provide the current revenue miles and revenue hours; current total miles and total hours; and current deadhead miles and deadhead hours (if applicable) for the provision of these service. Please provide this information for the total service as well as by route if possible. **Attached, reference question 29**
82. Please confirm there are no liquidated damages associated with this contract. **Liquid damages are addressed within the RFP.**
83. Please indicate the current on time performance by month for the current service over the last 12 months. **Attached.**
84. Who sponsors the pension plan? **See attached**
85. Should the pricing for the GM and Maintenance Manager be included in both options? **Please refer to question 42.**
86. Please provide current wages and benefits for all employees listed in the organization chart with the exception of the two contracted management positions. **Attached**
87. What is the annual payroll cost pass through to the City? **The annual payroll cost pass through to the City was \$10,812,951 in 2016. This includes: regular pay, overtime pay, sick pay, vacation pay, holiday pay, jury duty and bereavement.**
88. Other than the General Manager and Maintenance Director are the current employees a part of the City, Transdev or a sub-corporation? **Transdev**

89. Please provide a detailed line item budget for FY17. **Please see Appendix F (page 103) in the request for proposal.**
90. Please provide a most recent copy of FTA Triennial review and any NCDOT review or audit that has been conducted during the term of the contract. **Attached**
91. Please provide a copy of the current personnel manual. **Attached**
92. Please provide a copy of the seniority list. **Attached**
93. Please provide a copy of the leave balances for all employees. **Attached**
94. Are costs associated with labor negotiations cost of the contractor or the agency? **Contractor is responsible for all costs associated with negotiating the labor contract.**
95. Please provide a copy of the current pension plan with current administration and liabilities. **Attached**
96. Please provide detail on the health insurance plan for employees and the employer/employee cost. **Attached**
97. What type of farebox do you have? Any other alternative methods for payment? i.e mobile ticketing? **Genfare Odyssey**
98. What is your current scheduling, dispatching and runcutting software? Are they owned by the contractor or the City? **Contractor provided on all requested.**
99. What type of camera system is installed on the buses? Are they owned by the contractor or the City? City owns all equipment. **Currently have mixed fleet with Verint/Apollo and are upgrading all to Apollo.**
100. What is the current billing rate and annual revenue under existing provider? **Annual Revenue is listed in the RFP on page 59. Final year of current contract is \$ 392,605.**
101. Please provide a copy of existing contract with current provider. **Attached**
102. Please provide a copy of all required reports for the last quarter. **Attached**
103. Please provide a copy of any transit development plans, comprehensive operational analysis, transit performance reviews/studies or long-range transit plans conducted within the last three years. **Transit Plans can be found at the link provided. <http://www.raleighnc.gov/services/content/PWksTransit/Articles/ShortRangeTransitPlan.html> [www.waketransit.com](http://www.waketransit.com)**