

MARYLAND DEPARTMENT OF TRANSPORTATION
MARYLAND TRANSIT ADMINISTRATION

PRE-PROPOSAL CONFERENCE

CONTRACT NUMBERS T8000-0294A, T8000-0294B, T8000-0295

COMMUTER BUS SERVICE

THURSDAY, JULY 16, 2009 10:00 A.M.

Maryland Transit Administration
1515 Washington Boulevard
Baltimore, Maryland 21230

PRESENT FROM MTA:

LOUIS NEUMANN, Procurement/Operations

QUAN TRAN, Procurement

TIM NORRIS, MARC TRAIN/Commuter Bus Service

PAULA CULLINGS, Office of Fair Practices

ROBERT HARRIS,

GLENN SAFFRAN, Commuter Bus Division

JOHN LANOCHA, MARC Train/Commuter Bus Service

ALSO PRESENT:

KEVIN EYRE, Eyre Bus

MIKE MCDONAL, Eyre Bus

RON DILLON, SR., Dillon's Bus Service

CHARLES KELLER, Keller Bus Service

REPORTED BY: KATHLEEN A. COYLE, Notary Public

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P R O C E E D I N G S

MR. NEUMANN: Good morning everybody. I think everybody knows me. I'm Lou Neumann from the procurement division. And we are here for the pre-bid meeting for three commuter bus contracts. We have Contract Number T800-0294A, which is commuter Bus Service on lines 901 and 907, service from Charles County, Maryland, into Washington, D.C. We also have Contract Number T8000-0294B, which is commuter bus lines number 905 and 909. And this is coming out of St. Mary's County and Charles County to Washington, D.C. The third contract is T8000-0295, which is line number 991, and that is out of Hagerstown and Frederick going into Shady Grove Metro Rail and Rock Spring Business Park in all points in Maryland.

Out of these contracts the only contract that would have a possibility of a multiple award would be the T8000-0294A, lines 901 and 907, would be lines that could be run separately. The 905 and 909,

they are intertwined in their activity. And that's going to be a single award. And, of course, line 991 is a single award since it's only the one route.

From the standpoint of personnel here. For the vendors, I think everybody pretty much knows everybody. We have Paula Cullings from the Office of Fair Practices, Glenn Saffran from Commuter Bus Division, Quan Tran, who is also in procurement, Tim, Robert, John, all out of commuter bus. And we have Kathy Coyle from Hunt Reporting. So just so that if you have any questions as we go through the proceedings, please give us your name and the company that you're with when you have a question so that Kathy will be able to take care of that. And she's going to be recording the meeting.

The first thing I want to go over on the contracts are the solicitation instructions. And we gave you a cover letter with that information that you would have downloaded off of the website. That you're

going to submit one original and four copies of the technical proposal, and one original of the price bid in separate, sealed envelopes, clearly marked as to their contents.

The bids are due no later than 2:00 p.m., on Thursday, August 6th, for the three contracts being discussed today. And if for any reason you decide not to bid on any service, I would appreciate it if you would forward a no bid notice to me also. Because if we are not receiving bids I need to know why a company does not submit a bid. So the information is vital for our purposes. And the -- I already gave you some of the information with regard to the three contracts.

In the general information of the contract there's a lot of information that we provided you. But as to the number of buses required or the services we expect, I'll defer that to Glenn a little later in the meeting. But we do break down the information on each -- in each contract as to the number of commuter

buses that are required for the trip. And it's on page G-1 of the particular form. And that provides you the number of daily trips and the estimated number of buses. This office -- and I am the procurement officer. I am responsible for, and I'm the sole point of contact for all matters relating to this solicitation. This includes tabulation of bids, announcement of apparent responsive and responsible bidders, award schedules, notice to proceed, and any other issues that may come up during the course of securing the competitive bids for this service. Any questions, any inquiries that you have on this agreement shall be sent to us in writing no later than July 28th. And that's going to be the cut off date for that. And as I previously mentioned, the closing date for the contract is 2:00 p.m., on August 6. Bids arriving after the closing time will not be -- will be rejected, not accepted.

The bids -- the duration of the bid offer is

that the technical proposals and price bids are to be valid for 120 days following the closing date of the IFB. This period may be extended by written mutual agreement between the bidder and the MTA. These contracts are expiring October 31st. So the 120-day period should not impact. We fully anticipate having the new contracts in place by November 1st.

Any addenda will be sent to you as we go through the process of the bidding. We request or require that you acknowledge any addenda that are issued. And if you look on the bid form itself there is a section in there -- I believe it's item seven of the bid form -- that shows the number of addenda. You would indicate which addenda number it is and the date of that addendum. And that should always -- all of that should be in the bid package when you submit your technical bids.

Bid acceptance. The MTA reserves the right to reject any and all bids in whole or in part,

received as a result of this IFB. Also, to waive any minor irregularities. And we allow bidders to correct minor irregularities or to negotiate with all responsible bidders in any manner necessary to best serve the interest of the State. Verbal bid modifications or withdrawals of bids will not be accepted. And again, technical proposals shall include complete responses to the bidder's questionnaire, appendix "B." So you shall include that with your technical bid.

You're responsible for the provision of all vehicles and services as required in this IFB. and we do make the -- reserve the right to make multiple contract awards. As I mentioned, it will actually be two single contracts, but on the one contract we can do a multiple award.

Now, also, I might want -- I also wanted to cover with you too that T8000-0294, contract duration and start date. It starts November 1st, but it is a

four-year contract this time around. And we've done that because the T8000-0294A and 294B both are large contracts with a large amount of equipment required to provide the services. And to try to get all the pricing and get everything put together at the same time is very burdensome. So by splitting it, putting one at a four year and the other one at five year, we feel that better serves getting the work done on a timely basis. So both 294B and 295 will be five-year contracts. And as mentioned, all of them are effective November 1st.

There is a fuel surcharge clause in the contract. I know you're all familiar with that. This is something that we ask you to submit your bids using the current fuel pricing that you're dealing with when you're putting the bid together. And then during the course of the contract, as detailed in the fuel surcharge clause, we will be modifying the fuel, the waiver, the amount of money that you're receiving

based on fuel increases.

And, of course, submission of your bid denotes acceptance by you of all terms, conditions, and requirements set forth in the invitation for bid. Now, the contract does have a minority business enterprise subcontract participation goal. And for all three contracts we have established a goal of four percent for each contract. And there is an attachment "E" of the contract package that provides details for this goal.

At this point I'd like to turn it over to Paula Cullings so that Paula can review with you the MBE requirements, the completion of the forms, and the information that must be provided.

MS. CULLINGS: I'd like to pass these around. I know you've been looking at them lately from previous contracts. I know it's only a few of you here. The four percent was identified because we looked at supply items, such as fuel, bus mechanical

parts, bus cleaning, supplies in general, or bus cleaning supplies, bus tires, oil. And the services we looked at was --

(Coughing.)

MS. CULLINGS: -- (unintelligible) service, engine repair, body repair, and just general transportation services. So based on that information, certainly you're free to be as creative as you see fit to run your business to include minorities in the participation. This is a State-funded goal. And historically we normally subgoal. But on this occasion there will be no subgoals. So the four percent will be in any format that you desire to use. That means when you go into the directory and you see firms that are MBE, whether they're African American, female, Asian, Latino, whatever that may be, you're free to utilize them accordingly. Normally the subgoals would tell you you would have to do so much for women, so much for this group, or that. That's

off the table. Be as creative as you'd like looking for firms that can participate with you all over. They must be firms that are coming from the MDOT directory. No other directory of certified firms would be considered.

The first thing you have to do is submit form "A," which is your commitment. And if you just come along with me you'll see that you are putting in the solicitation number, you are checking the box that you will do the four percent, or you're checking the box that somewhere along the line it doesn't add up and you won't be doing the four percent.

If that be the case, that you would check that you will not be doing the four percent, then certainly I'll tell you what you need to add at a later date. The page two of this document, however you get it, electronically or otherwise, must be signed. Failure to sign it says you didn't commit to anything and they will look at that as nonresponsive.

And that could be thrown out.

Form "B" is purely instructions for you. You do not have to send back the first page of form "B," you don't have to send back the second page of form "B." That's your worksheet for your purposes. When you get to the next page where you start to identify who your subcontractors are, this begins the portion of form "B" we would like to see. So "A" and "B" will come with your price proposals. And when we talk about separating envelopes, it would be great if MBE documents could be in its own envelope. But wherever you put it, don't bind it up, don't make it real cute with the GBC binding because we only have to rip it apart. So as we give it to you would be nice.

MR. NEUMANN: If I could add too, please do not put it in with your technical proposal. It's strictly with the price bid.

MS. CULLINGS: Right. Or a separate envelope, whichever is comfortable. But, yeah, don't

blend it.

So in form "B" you're identifying the firm, the certification number. And when you find them you will also see the NAIC code that they are certified to participate. Certainly make sure this matches with what you have in mind. Certification number and what you find about them as being women, minority, African American or whomever.

It also explains the 60 percent rule so you're very clear doing your math. And that's found in section 4.1. So that means if you're buying goods, supplies, you're only going to be credited 60 percent of the total dollar value that you intend to spend. And I think by now you all do understand, you know, how to do that. And that, sometimes, can make your four percent not always meeting. You can't always get it off of your supplies. In fact, you're not supposed to use more than 60 percent, in general, of supply items because you'd never be able to meet the goal.

So you might blend it with services as well. But the formula is here and it leads you to everything you need to know. Certainly, if you have some questions about it, or you're not making the grade and you need a waiver, if you will be getting a waiver or requesting one for the difference. If you absolutely cannot make that four percent, and you're 3.2, please ask for a waiver where you're expressing that you have nothing else you can buy. You've made every effort to utilize the firms that are there. But we hope that you keep it close -- we hope you do the four percent because it is a process to get a waiver for any portion of it. We have to send it to MDOT, they have to decide if you tried and you didn't, and it gets weighted in a manner that's not as individual as it could be.

Form "C" is required as well. And you can send all of these at one time. But normally you are asked for "C" and "D" at a later time. It's up to

you. Form "D" just simply asks "What type of outreach did you do?" Maybe you just simply went in the directory and found someone. Maybe you didn't have to make a big deal out of soliciting. But whatever efforts you made, please indicate and sign on form "C."

Form "D" is where you make as many copies per firms that you are utilizing to meet your goal. You could have one company, four companies, or as many as you need. And here you provide the information accordingly, what work they will do, and description as well as the NAIC code. You as the prime will sign to the left; the subcontractor would sign in the middle, and so on. And this is turned in with "C," either at the time that you're notified that you're the low responsible bidder or if you care to submit it in the beginning with all of it, you most certainly can. If you need to fax it to someone for their signature and they fax it back, we will accept it in

that manner. So we don't have to have you, you know, running around town to get a signature accordingly.

I think I've discussed the waiver. You must show, at least in writing, your effort. So even though you're saying that I've come close to the mark, there's nothing more I can buy, just be very detailed if that's what you're asking for. Or maybe you have found that those who you asked to participate with you have given you an answer, I'm not interested right now. I'm too busy. Make sure they give you something because that should be a part of your attachment where you've made the effort, but these companies are fully engaged and they don't see themselves participating at this time. Maybe the distance, the travel, whatever the case might be, please attach that because all of that will be part of the merits to speed the process of MDOT approving it. We approve at a level where we find it to be acceptable, but somehow MDOT has the final say. So, therefore, the more information we get

up front, we know that that would be a smoother transitioning process.

Are there any questions? I know you've been through this exercise not long ago with the previous submittal of documents. And so you're probably getting the hang of it. But if you have any questions at this time I'll be glad to entertain them. There were some items before that needed to be cleared up. I hope that they have been answered in some way. So no questions? Good luck. Be successful. Try to make that four percent. Thank you.

MR. NEUMANN: Okay. Thank you, Paula.

Going forward, I just noticed something in Contract T800-0295. We will have to make an adjustment under the general instructions. It's showing contract duration of four years, and it's actually a five-year contract. If you go to the scope of services, that does show five years. So there's a conflict there. But it will be a five-year contract. So we'll make

that clear to everyone.

The next part of the bid package. This is a multi-step bid. And by a multi-step, what we do is we have technical proposals and then price bids. We have an evaluation team who will review the technical proposals. And as mentioned earlier, you need to submit one original and four copies of the technical proposal. This will be reviewed, again, by the evaluation team. And then those companies that are found reasonably susceptible to award, will then be notified that their technical proposal has been approved and that we will have a price bid opening. And that will be step two of the process.

In the bid preparation for the two-step procurement, there are details in the contract as to how the technical proposal shall be laid out. And we've detailed that in various items throughout that particular section of the contract. Also, this contract does require a performance bond or similar

document. You can either have performance bond, pledge of U.S. government securities, irrevocable letter of credit, or retainage of a portion of the gross billing for the first year and each year thereafter. And the amount is 10 percent of the five-year estimated value regardless of the method of performance guarantee. Or in the case of the one contract, 10 percent of the four-year. So we will -- this will be required. And the form is in the package. There is an attachment that has the performance bond shown in there.

So -- and then after that, the next area that I wanted to cover is that as far as the scope of services, under the T8000-0294A, we are providing up to eight leased buses. Now, we do have a lease agreement in each of the contracts. I know you're all familiar with that. But just refamiliarize yourself with it because we did make some changes that were incorporated into the other contracts that we just put

out for bid recently. And that concerned tire usage and the tread life on the tires. So, again, on T-8000-0294A it's eight leased buses, four per route. T8000-0294 has six buses under lease. And T8000-0295 has three buses. Now, all of these buses are lift equipped. And that is a requirement of this contract that all buses provided by you will be lift equipped to meet ADA requirements. Under the scope of services we've provided a very extensive detail as to how the buses shall be equipped.

In addition, there are various segments throughout the contract of liquidated damages that we have for various performance failures. Familiarize yourself with those again just so that -- ensure that there won't be any surprises if you're doing the work and Glenn or one of the other gentlemen is in touch with you with a problem.

The bid form itself, for the T8000-0294 it's a 13-page document. Page four of each of the bid

documents is the one that details the initial mileage per trip, the ridership, all types of information that we've tried to make easy for you so that you've got one central area to develop your information. And, again, the 94B is an 11-page, and 295 is a 12-page. So the bid documents are somewhat extensive. We do have a lot of various trips shown in there that are all part of the service.

When submitting your bids the following documents are required with the technical proposal. And that is, you have to submit your bid proposal affidavit, your bidder's questionnaire. There's a living wage requirement in this contract, and each contract was developed differently as to whether it's a tier one or tier two on the living wage requirements, based on the counties that you're operating in. Some of those are designated as tier two, some of them are designated as tier one. I think in all three of these contracts, I believe we're

looking at tier two on all of them, but don't hold me to it on that. It will be in the package.

And then there's also a conflict of interest affidavit disclosure. Those have to be sent in as well as the MBE documents. But those don't come with the technical. They come with the price proposal. And that's the bid form include price schedules and the completed MBE forms and all associated documents.

That pretty much covers what I'm looking at. I think I can turn it over to Glenn at this point if there's any service issues or anything to cover with the commuter bus service.

MR. SAFFRAN: The only thing that we changed was a request last time that we -- we had initially assigned buses to the specific contracts. We further subdivided that, that each particular route is assigned a bus. It doesn't mean we require that you operate that bus on that particular route in daily service. But we want to make sure because if some of

these routes are split up such that -- and if we have two different vendors -- they know specifically which equipment goes with which route. So that's really the only change. Everything else is pretty much identical. What we're putting out here is what we're operating today. There's no plan changes on any of these routes between now and the start of the next contract.

MR. NEUMANN: I think we went through all the changes in the early part of the year, January.

Anybody have any questions?

(No response.)

MR. NEUMANN: Hearing none, I think you for your attendance. And good luck with your proposals.

(Whereupon, at 10:30 a.m., the meeting was adjourned.)

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CERTIFICATE OF NOTARY

I, KATHLEEN A. COYLE, the officer before whom the foregoing testimony was taken, do hereby certify that the witness whose testimony appears in the foregoing transcript was duly sworn by me; that the testimony of said witness was taken by me by stenomask means and thereafter reduced to typewriting by me or under my direction; that said testimony is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this testimony is taken; and, further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of the action.

This certification is expressly withdrawn and denied upon the disassembly or photocopying of the foregoing transcript of the proceedings or any part thereof, including exhibits, unless said disassembly or photocopying is done by the undersigned court reporter and/or under the auspices of Hunt Reporting Company, and the signature and original seal is attached thereto.

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