

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

Date: April 17, 2013

To: Supervisor Michael Mayo, Sr., Chairman, Transportation, Public Works and Transit Committee

From: Brian Dranzik, Director, Department of Transportation

Subject: Response to Chairwoman Dimitrijevic's Memo regarding the Milwaukee County Transit System Management Request for Proposals

POLICY

This report is informational.

BACKGROUND

As requested by the Chairman of the Committee on Transportation, Public Works and Transit a response to a memo from County Board Chairwoman Marina Dimitrijevic dated April 9, 2013 titled "Informational Report, Milwaukee County Transit System Management Contact is attached for review.

RECOMMENDATION

No recommendation is required at this time.

Prepared by: Brian Dranzik, Director

Approved by:

Brian Dranzik, Director of Transportation

Cc: Chris Abele, County Executive
Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors
Amber Moreen, County Executive Chief of Staff
Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Kimberly Walker, Corporation Counsel



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Department of Transportation
Brian Dranzik, Director

DATE: April 17, 2013
TO: Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors
FROM: Brian Dranzik, Director of Transportation
SUBJECT: Milwaukee County Transit System Management Contract Response

In response to your memo requesting information about the transit management RFP, I would like to respond to each of your questions as they are proposed.

What is the Scope of the RFP?

Milwaukee County Department of Transportation (MCDOT) is seeking proposals from qualified transit management providers necessary for the efficient daily operation of the collective fixed route bus and paratransit system. We are looking for a firm to provide implementable recommendations toward the provision of sustainable and efficient mass transit and paratransit services. This could include recommendations for cost savings opportunities, operational efficiencies, increased ridership or revenue enhancement. Such recommendations would be up to bidders to provide as part of their response to the RFP.

Is the RFP limited to management of mass transit services? If not, what other transportation services are included in the RFP?

The RFP as stated in the scope is for mass transit and paratransit services. No other transportation services are requested under the RFP for transit management services.

Does the scope allow bids from non-profit and for-profit organizations?

The bid does not restrict either non-profit or for profit organizations.

Does this RFP for contractors preclude the possibility of having Milwaukee County employees manage the transit system? If not does MC DOT plan to bid?

The RFP is seeking qualified transit management through a competitive process. As with the current contract arrangement, Milwaukee County would delegate authority to the contractor for transit services within overall parameters set by Milwaukee County. The

Department is responsible for seeking a successful bidder and, therefore, would not bid on its own contract.

Is there a priority placed on the solicitation of local vendors and jobs?

This RFP may involve the inclusion of federal funds and therefore may not state a local hiring preference for vendors. The RFP does state a preference for vendors who provide for consideration of hiring current transit employees should there be a change in vendor.

Is it anticipated that the vendor would manage paratransit services? If not, would the MCDOT directly manage paratransit services?

The scope does require the bidder to manage paratransit services. Furthermore, it should be noted that Milwaukee County DOT does not have adequate staff to operate paratransit services.

What are the Disadvantaged Business Enterprise goals in the RFP and/or contract?

We have recently received a waiver for DBE goals on this RFP which is consistent with past practice.

Is there an assumption about how employees would be managed under this RFP and/or contract?

Employment of all necessary staff would be responsibility of the transit management service provider as it is today. As stated above, the RFP does state a preference for vendors who provide for consideration of hiring current transit employees should there be a change in vendor.

Will the RFP point to a specific contract? If so, how will the public be assured of a more transparent process than the one we just witnessed?

We intend to include a draft Management Services Agreement with the RFP.

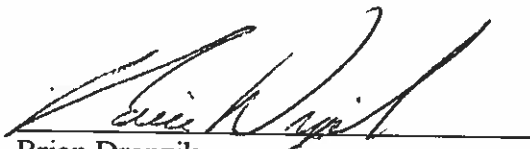
In addition to the specific questions you raised in your memo, you also ask if the Administration is willing to incorporate recommendations within the RFP and/or eventual contract based on the findings of the Milwaukee County Auditor. Now that the audit is out, we have a clearer understanding of what those findings are. The audit findings primarily request that MC DOT management work with MTS, Inc. management, the current vendor, to make sure MTS addresses issues with their process and procedures. The Department of Transportation concurs with the findings of the audit and is committed to implementing its recommendations.

In response to your memo, I hope you will find the goal of the Department in producing this RFP is to contractually partner with a transit service provider that has the experience and knowledge to professionally manage and operate transit in Milwaukee. We look

forward to a competitive process that garners responses from providers who can demonstrate the potential to increase ridership, increase revenue and achieve savings for the system. Given the perilous funding situation that transit is in currently, finding innovative ways to increase revenue and achieve savings is paramount in maintaining transit services levels to the riding public who relies on this service.

Please keep in mind that the RFP is currently under development until its release, which is anticipated in late April. Corporation Counsel has advised that discussion of the content of RFP materials that are under development, if released, may provide an advantage to one firm over another resulting in a dispute or appeal of the RFP process. The Committee on Transportation, Public Works and Transit heard the RFP committee item under closed session as advised by Corporation Counsel. It is the Department's goal to keep the RFP process fair and unbiased to all who may to present a proposal under this competitive process.

In closing I would like to thank you for your concern and interest as I know you are a supporter of transit services for Milwaukee County. I especially appreciate the remarks in the closing paragraph. I believe we do have a combined goal of establishing a contract that provides for greater accountability and is protective of the taxpayer's interest.

A handwritten signature in black ink, appearing to read "Brian Dranzik", written over a horizontal line.

Brian Dranzik
Director of Transportation