

# **AMERICAN PUBLIC TRANSPORTATION ASSOCIATION 2014 ANNUAL MEETING & EXPO**

## **Greater Phoenix Region Joint Bus Procurement Presentation**



**Presented By: Joe Z. Ramirez**  
**Manager, Contracts & Procurement**  
**Valley Metro – Phoenix, Arizona**





**CITY OF PHOENIX AND REGIONAL PUBLIC TRANSPORTATION  
AUTHORITY/VALLEY METRO**

**JOINT BUS PROCUREMENT**

**REQUEST FOR PROPOSALS**

**RFP #PT14-005**

**MANUFACTURE AND DELIVERY OF HEAVY DUTY  
TRANSIT BUSES**

**PRE-PROPOSAL CONFERENCE:**

**WEDNESDAY, FEBRUARY 19, 2014**

**2:30 P.M. MST (LOCAL TIME)**

**302 NORTH FIRST AVENUE, ROOM 7A**

**PHOENIX, AZ 85003**

**PROPOSAL OPENING DATE**

**THURSDAY, MAY 1, 2014**

**2:00 P.M. MST (LOCAL TIME)**

**302 NORTH FIRST AVENUE, SUITE 900**

**PHOENIX, AZ 85003**

# **PRESENTATION OVERVIEW**

## **Valley Metro and City of Phoenix Public Transit Department:**

- History and Background
- Business Practices
- Start up Questions
- Regional Specification
- RFP Selection Process
- Our Opportunity
- The Benefits
- Our Plan
- Working Together
- Our Scorecard



# JOINT BUS PROCUREMENT OUR STORY

## How two Agencies – Valley Metro and City of Phoenix Public Transit Department:

- Changed practice of consortium piggyback bus purchases
- Seized the “Opportunity” to work together on a regional joint bus purchase
- Brought efficiency, savings and improved coordination to the region by consolidating our requirements under “one Regional RFP”



# JOINT BUS PROCUREMENT HISTORY / BACKGROUND

## FEBRUARY 2012

- Regional Public Transportation Authority (RPTA) and Valley Metro Rail Inc. (METRO) merged to create one integrated Agency.
- Bus and Rail Transit under one Agency umbrella resulting in operational and administrative efficiencies and benefits.

## MERGER BENEFITS

- Member Cities turned to new merged Agency to conduct studies and manage projects that might have previously been done by individual cities
- Administrative efficiencies gained - one procurement department for both bus and rail contracts
- Regional RFP discussion begins

# JOINT BUS PROCUREMENT REGION'S BUSINESS PRACTICES

- Institutionalized use of IGAs
- Regional philosophy – contract out transportation services
- Do not self-perform transportation or maintenance
- Exclusive use of third party contractors
- Bus fleet purchased, owned and furnished to third party contractors by Valley Metro and City of Phoenix Public Transit Department

## RESULTS

- Extensive use of piggybacking for bus procurements since 2006
- Lack of a single regional strategic focus for bus purchases

# GREATER PHOENIX REGION PIGGYBACK PURCHASE HISTORY



- Our purchase history of transit buses since 2006

QUANTITY & BUS SIZE	PURCHASE AMOUNTS
307 40 ft. buses	\$145 million dollars
27 60 ft. buses	\$24 million dollars
13 Trolley style buses (Scottsdale)	\$8 million dollars
347 buses total	\$177 million dollars



# **JOINT BUS PROCUREMENT PROS, CONS AND GOALS OF PIGGYBACKING**

## **PROS**

- Buses purchased off other contracts as needed
- Established pricing
- Portion of procurement lead time eliminated

## **CONS – FOR OUR REGION**

- Competition conducted by others outside our region
- No regional bus specification for either Valley Metro and Phoenix Public Transit
- Delivery Issues – Bus manufacturers' production windows

## **GOALS**

- Region can do better
- Must own and maintain its standards

# JOINT BUS PROCUREMENT

## OUR OPPORTUNITY

- Develop and issue a single “regional” RFP for the purchase of 310 buses to meet the needs of all operations in the Valley for the next 5 years
- Comply with Federal Transit Guidance – Joint Procurements
- Discard past practice of piggybacking as first choice

## OUR BENEFIT

- Bring efficiencies and savings from the consolidation of vehicle requirements into a single Regional RFP
- Enhance working partnership between both Agencies

# **JOINT BUS PROCUREMENT THE SCHEDULE**

## **PLANNING / DEVELOPMENT**

- RFP planning begins second quarter of 2013 and continues throughout 2013
- Joint Procurement RFP planned for release to bus manufacturing industry February 2014

## **PROCUREMENT PROCESS**

- RFP released February 2014
- 8 month process

## **CONTRACT AWARD SCHEDULE**

- City of Phoenix Public Transit Department – October 2014
- Valley Metro – November 2014

# JOINT BUS PROCUREMENT START UP QUESTIONS

- Who will be the lead Agency?
- How will the RFP be packaged?
- Who will release the RFP?
- Who will develop the “first” regional bus specification?
- Who will participate from each Agency?
- What will the make of the technical evaluation team be?
- How will the resulting contract or contracts work?

# ANSWERS TO QUESTIONS

## “THE PLAN”

### Who will be the lead Agency?

- No lead Agency
- Both Agencies have equal stake in results
- Decision – no piggybacking between Valley Metro and the City of Phoenix Public Transit Department

**Owner: Valley Metro RPTA**  
**Operator: First Transit**  
**USDOT#: 1002211**

**Owner:**  
**City of Phoenix**  
**Operator:**  
**First Transit**  
**Phoenix, AZ**  
**USDOT#1002211**



# ANSWERS TO QUESTIONS

## “THE PLAN”

### Who issues the RFP?

- Based on bus quantities needed, the RFP was issued on City of Phoenix paper





## **If no lead agency and no piggybacking between Valley Metro and City of Phoenix Public Transit, how will the RFP be packaged?**

“This solicitation represents a joint procurement by the City on behalf of itself and the RPTA/Valley Metro. Each purchasing agency shall enter into its own contract(s) with the successful Proposer(s) and each shall be solely responsible for meeting FTA requirements and for their own performance under their respective contract(s) and neither shall be responsible or liable for the contract(s) of another.”

# JOINT BUS PROCUREMENT

## THE TEAM

### Who will participate from each Agency?

The Gang of Fourteen:

- |  |              |
|--|--------------|
| • Robert Angel, IT Coordinator                                 | COP          |
| • Jim Campion, Contracting Officer                             | COP          |
| • Albert Crespo, Transit Superintendent                        | COP          |
| • David Hyink, Bus & Paratransit Fleet/Facilities Supervisor   | Valley Metro |
| • Larry Joyner, Bus & Paratransit Fleet/Facilities Coordinator | Valley Metro |
| • Rodney Merrill, Equipment Analyst                            | COP          |
| • Gabe Piez, Transit Operations Contract Supervisor            | COP          |

# JOINT BUS PROCUREMENT

## THE TEAM (cont'd)

### Who will participate from each Agency?

- |  |              |
|--|--------------|
| • Joe Ramirez, Contracts & Procurement Manager         | Valley Metro |
| • Ken Rangel, Equipment Analysis                       | COP          |
| • Jesus Sapien, Deputy Transit Director                | COP          |
| • Sam Stevenson, Quality Assurance Program Coordinator | Valley Metro |
| • Mike Taylor, Operational Support & Analysis          | Valley Metro |
| • Harold Tye, Contract Administrator                   | Valley Metro |
| • Scott Wisner, Bus Service Delivery Manager           | Valley Metro |

# JOINT BUS PROCUREMENT

## THE TEAM (cont'd)



### Who developed the first regional bus specification?

- Rodney Merrill – Equipment Analyst COP
- David Hyink – Bus Fleet Coordinator Valley Metro
- Larry Joyner – Bus Fleet Coordinator Valley Metro

Developed Performance Specification for both entities and the region



# JOINT BUS PROCUREMENT THE REGIONAL SPECIFICATION

- Focus on technical flexibility – Performance Specification used  
Examples:
  - Valley Metro – all CNG / Zonar
  - City of Phoenix – Diesel and CNG
  - Valley Metro – ZF Transmission
  - City of Phoenix – Allison Transmission
- Identify each Agency's unique needs
- Strive for uniformity in requirements and standards
- RFP price schedule constructed with base bus specification with adds and deducts for items and options

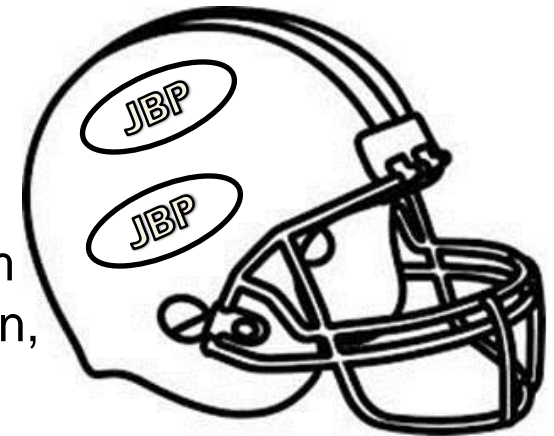
# JOINT BUS PROCUREMENT THE SCORECARD

- Three proposals received
- El Dorado, Gillig and New Flyer
- Evaluations successfully completed:
  - 30 ft. buses                      El Dorado
  - 40 ft. buses                      Gillig
  - 60 ft. buses                      New Flyer
- Valley Metro executes its own contract with El Dorado, Gillig and New Flyer



# JOINT BUS PROCUREMENT THE SCORECARD (cont'd)

- Our joint procurement worked
- Piggybacking will be a second option instead of the first for the Region
- Valley Metro / City of Phoenix Public Transit team will continue its partnering through bus production, delivery, warranty and revenue service
- Oops, we did it again...Tucson RTA and Valley Metro joint procurement for contracted Rural Route Transportation Service between Tucson, Gila Bend and Phoenix



# JOINT BUS PROCUREMENT

QUESTIONS / COMMENTS / TAKE AWAYS



***Thank you –  
enjoy the Annual Meeting / Expo***