

M-1 RAIL

M-1 RAIL ELECTRICAL MAINTENANCE CONTRACTOR REQUEST FOR PROPOSAL

ADDENDUM NO. 1

**Original RFP Issue Date:
June 8, 2016**

**Addendum Issue Date:
June 15, 2016**

The items included in this Addendum are intended to modify the original RFP and/or any previously issued Addenda. Modifications are shown in redline format. Only affected pages are contained in the Addendum.

Summary of Modifications:

- Added "Section A.5 – Use of DBE Firms" to Technical Proposal Requirements
- Modified Evaluation Criteria

Proposers must acknowledge receipt of all Addenda in their Proposal by completing and including the proper form (Exhibit C) with their Proposal as instructed in the RFP.

Total Number of Pages (without cover sheet): 6

Pages are:		In Addition to	X	Replacement of	X	the Original RFP
		In Addition to		Replacement of		Addendum <u>N/A</u>

Addendum begins on the next page.

- d. Availability of the Electrical Maintenance Contractor's staff resources necessary to maintain the electrical system and provide emergency response teams as required in this RFP.
- e. Indicate as to what if any partition of the workforce is under a union contract, which contract and the date of the expatiation

~~e.~~ **A.5 Use of DBE Firms – M-1 RAIL encourages Proposers to include Disadvantaged Business Enterprise (DBE) Subcontractors and/or Suppliers on their teams. While there is no minimum DBE participation goal in this Contract, M-1 RAIL will give additional consideration to Proposers with a higher overall involvement of DBE firms in their team. DBE firms must be registered in the Michigan Uniform Certification Program (MUCP) database at the time of the Proposal due date. For additional information, please visit <http://mdotjboss.state.mi.us/UCP/>.**

Volume B – Contractual Supplement

B.1 Certificate of insurance coverage (see **Exhibit H**).

B.2 Anti-Slavery Affidavit – Disclosure of participation in or profits derived from slavery using the attached form in **Exhibit E**. Complete the form and return it as part of your proposal, as an Appendix, and send an additional copy to the address listed on the form.

B.3 Litigation History - Provide a disclosure statement identifying any contract or civil rights claims against your company which are currently pending, or which have been asserted against your company within the last 5 years. (One-page limit)

B.4 Financial Information – Proposers should include the following items: (Please note M-1 RAIL reserves the right to require a party to provide additional financial information to ensure that the financial capacity of the party is acceptable to M-1 RAIL.)

- a. Provide a disclosure statement identifying the state of your company's financial standing, whether your company has been given a credit rating (and if so, by what rating agency and what that rating is), and whether your firm is publicly traded or privately owned. If publicly traded, provide a listing of the stock markets or exchanges on which your company is listed.
- b. Audited financial statements for the company's three most recent fiscal years, including a balance sheet, income statement and a statement of cash flows.
- c. Unaudited financial statements including a balance sheet, income statement and a statement of cash flows for the most recent quarter/month available at the date of submission.
- d. Projected income statement for the current fiscal year.
- e. Discussion on turnover in company management positions over the past 12 months.
- f. Discussion on any major changes to the company's ownership structure in the past 5 years.
- g. Disclosure regarding plans or intentions to merge with or acquire another company.

- h. If applicable, current credit rating and credit actions over the past 24 months (i.e. downgrades, other updates to rating assessments.)
- i. Disclose any FTA or safety oversight authority findings in the past five years with current/prior customers

B.5 Receipt of Addenda – Provide list of all addenda associated with this procurement and acknowledgement of receipt (see **Exhibit C**).

Volume C – Cost Proposal

A Cost Proposal is to be submitted with the Technical Proposal. For ongoing inspections and maintenance, M-1 RAIL anticipates issuing a Contract on a Time and Materials basis, due to the potentially variable scope of services and evolving needs of the Project. The Cost Proposal should provide a detailed estimate of costs for the Initial Term, broken down by year during Revenue Service (with a separate breakdown of costs for the Pre-Revenue Service Period). The Cost Proposal should assume that the option to extend will be exercised by M-1 RAIL prior to the expiration of the Initial Term. Therefore, the Proposer should provide details for extensions of either two (2), three (3), four (4) or five (5) years from the expiration of the Initial Term.

The Cost Proposal should provide detail for the Initial Term in six (6) segments. The first segment should cover the Pre-Revenue Service Period, and the following five segments should cover each of the operating years following the commencement of Revenue Service. The projected or estimated amount of costs for the Renewal Term should be set forth in five (5) segments of one year each, with the first being the operating year starting on the beginning of the Renewal Term (i.e., the operating year following the end of the Initial Term), and the remaining four being for each operating year thereafter.

M-1 RAIL anticipates that Transdev will provide an annual review of the proposed operations to allow the Electrical Maintenance Contractor to propose modifications in the staffing to accommodate the required service levels as needed to maintain the applicable elements of the System in a State of Good Repair. At each year, any modifications must be recommended by Transdev and approved by M-1 RAIL.

Proposers are required to submit the following:

C.1 Personnel and Subcontractor spread sheet for every position included in the Proposal with the number of full-time equivalent positions and labor rates included for the Pre-Revenue Service Period and for each operating year of the first five (5) years of the remainder of the Initial Term, as well as for the Renewal Term of up to five (5) additional years. Proposers should list position categories by Administrative, Ongoing System Maintenance and On-Call Response Services. Personnel positions provided by the Proposer should be listed first. Subcontractors that are included should be listed with the number of annual hours anticipated to be utilized in the designated year.

C.2 Presentation of Total Costs: Each Proposer should provide an anticipated cash flow for the first six (6) periods of anticipated Electrical Maintenance work during the Initial Term (with the first segment being for the Pre-Revenue Service Period), as well as the anticipated cash flow (per year) for each of the five (5) years of the potential Renewal Term. The costs should include all personnel, hours, equipment, expenses, tools, and other labor, materials, subcontracts, and

expenses necessary to maintain the electrical system in a State of Good Repair as required herein. The costs during each period during the Initial Term or the Renewal Term should be quoted on a Time and Materials basis, with a projected Total Cost, in each case broken down by billing rates for applicable categories of personnel, anticipated hours by applicable categories of personnel, cost of materials and outside services (without mark-up), equipment, tools, and other reimbursable expenses (except for the pass-through costs described below), and profit and overhead (with overhead including the cost of required insurance coverages). The Total Cost submitted by Proposers should cover the Initial Term separately for each of the aforementioned segments of the Initial Term, as well as separately for each year of the potential Renewal Term. Profit and overhead may be proposed as a fixed amount or as a percentage of other costs, but in either case the Proposal should specify the basis and/or assumptions for the costs included for such items in the estimate of Total Cost.

The costs during any year of the Renewal Term may be tied to escalation factors based on recognized indices or standards (e.g., a defined Consumers Price Index), but the costs must be capable of being currently calculated for the Renewal Term, even if based on assumptions with regard to the stated escalation factors (e.g., assumptions with regard to future increases in a defined Consumers Price Index).

Each Proposal must describe in detail all assumptions regarding escalation, overhead rates, and fixed fees. If foreign currencies or similar calculations are used in a Proposal, the conversion rates and support must be included.

In addition, each Proposer is to provide hourly rates inclusive of all overhead costs for services to be provided on a premium-rate “on-call” basis for emergency responses required in addition to regular committed inspection and maintenance service as directed by Transdev or M-1 RAIL.

The cost of spare parts will be on a pass-through basis (without mark-up). These items will be agreed upon annually based upon actual cost, and need not be included in the Total Costs projected in a Proposal.

Costs for Subconsultants, Subcontractors, or other outside labor or vendors may be marked-up by the Contractor a maximum of five percent (5%). All second- and lower-tier contracts are not permitted to any mark-ups.

C.3 Annual Maintenance Costs: Proposers should assume for Year 1 of Revenue Operations a 4-vehicle operation with 20,800 annual hours of revenue service. For Years 2 through 5 of Revenue Operations, the annual inspection and maintenance costs are to be based upon a 5-vehicle operation with 24,180 annual revenue hours. The 5-vehicle operation should be assumed for Years 6-10. Do not include costs other than those identified in the Scope of Services section of this RFP or as noted above in the base cost.

4.0 Evaluation Criteria

This is a **Best Value** selection process. The criteria listed below will be used to evaluate submittals and select an Electrical Maintenance Contractor:

- Experience and Qualifications 35%

▪ Past Performance	10%
▪ Approach	20%
▪ Cost	30% 35%
▪ <u>DBE Subcontractors/Suppliers</u>	5%
	100%

Submittals will be evaluated by M-1 RAIL and ranked by score. M-1 RAIL reserves the right to make the final selection in a manner that best serves its interests, including without limitation deviating from the relative weighting set forth above consistent with federal restrictions applicable to a **Best Value** selection.

4.1 Basis for Contract Award

As noted, this is a "**Best Value**" competitive, negotiated source selection; the selected Proposer will enter into negotiations with M-1 RAIL. Selection will be made to the responsive and responsible Proposer whose offer conforming to the solicitation is judged by an integrated assessment of the evaluation criteria to be the most advantageous to M-1 RAIL, price/cost and other factors considered. For this procurement, all technical evaluation criteria will be considered along with cost in making the final scoring determination.

M-1 RAIL may select other than the lowest cost/priced, technically acceptable offer if it is determined that the additional technical merit offered is worth the additional cost in relation to other Proposals received.

Proposers are further cautioned that an selection may not necessarily be made to the Proposer with the highest technical ranking if doing so would not represent the best value to M-1 RAIL. For evaluation purposes, if proposals become more technically equivalent, then cost/price becomes more important and may be the determining factor for selection.

Contractor selection will be based on the following approach:

Step 1: Proposal Submittals and Evaluation

All qualified and interested parties with experience in services similar in nature and scope as that described in this RFP are to submit their proposals. Each written proposal will be reviewed and ranked based upon the criteria described in this RFP.

Step 2: Proposer Interviews

Based upon the review of written responses, M-1 RAIL may request interviews for purposes of clarifying proposals.

Step 3: Contract Award Recommendation.

M-1 RAIL will complete its evaluation and recommend for negotiation the responsible Proposer judged to provide the best value to M-1 RAIL considering cost/price and the technical evaluation criteria. Negotiations may be entered into and Best and Final Offers

may be requested for determination of who is selected for negotiation and/or Contract award. As explained in the General Conditions Section of this RFP, the award of the Electrical Maintenance Contract shall be deemed to have been made only upon execution of the Electrical Maintenance Contract. Selection of a Proposer for negotiation shall not be deemed to be an award pursuant to this RFP.

4.2 Technical Experience and Qualifications Evaluation Criteria

Each submittal should enable the evaluation committee to make a thorough evaluation as to whether or not the Proposer will meet M-1 RAIL's requirements. Each Proposal must clearly and fully demonstrate that the Proposer has a thorough knowledge and understanding of M-1 RAIL's operational requirements relative to electrical maintenance, and has valid and practical solutions for technical and operational problems.

Technical experience and qualifications submissions will first be reviewed for responsiveness. To be responsive, submissions must contain all required forms, meet the RFP requirements, and provide the requested information. Failure to submit the required forms, to meet the RFP requirements, or provide the requested information may cause the Proposal to be deemed non-responsive.

Technical submissions will be evaluated on the basis of the following:

Experience and Qualifications of Firm/Experience and Qualifications of Key Personnel

The firm's experience with similar projects and activities comparable to the M-1 RAIL Streetcar project are to be described, including developing and implementing necessary SOPs, hiring, training and staffing a start-up operation, and the relevance of such experience to the M-1 RAIL Streetcar project will be considered. The Electrical Maintenance Contractor's experience meeting schedules, performance requirements, maintenance plan, and other contract requirements on similar projects will be described and evaluated. References are to be supplied.

Each of the Electrical Maintenance Contractors' Key Personnel should be identified and fully described. The roles, responsibilities and reporting assignments for all Key Personnel should be described, as well as their past experience working on similar projects and any support from offices or personnel not located in Detroit. The Electrical Maintenance Contractor's commitment to providing sufficient management staffing and capacity in Detroit and the commitment of key personnel to the M-1 RAIL Streetcar project will be evaluated.

The Electrical Maintenance Contractor's organization and plan for managing the overall Contract shall be described. This will include the levels and timing of assigning of personnel proposed for the Contract, the reporting relationships of the team members (including any Subcontractors), and experience in working together to provide similar services, and the appropriateness of the organizational structure for the M-1 RAIL Streetcar Project.

Past Performance on Similar Multi-Year Contracts, Financial Stability and Team Qualifications

Proposers should describe their performance experience on similar projects and provide local agency contact information. Information is to be supplied on meeting contract requirements and achieving

performance targets. References are to be supplied. Proposers should provide information on their financial stability and ability to fulfill the multi-year requirements of the Contract.

Approach to Streetcar Electrical Maintenance

The Electrical System Contractor's approach to planning for Streetcar System operations, establishing procedures, hiring and training staff throughout the Contract, experience and approach to start-up and their understanding of the unique aspects of the M-1 RAIL Streetcar Project and the manner in which the Electrical Maintenance Contractor plans to maintain high quality of service will be evaluated.

Contract Costs

The Proposals will be evaluated for, among other factors, the total projected costs of the Contract based upon the services provided. It is understood that the amounts of the estimated annual or periodic Total Costs are estimates and not absolute caps, as payments will be made on a Time and Materials basis.

Proposers are advised to review and fully understand the Exhibits before responding to this RFP.