





January 16, 2020

TO: Vice Chair Sebesky and PRTC Commissioners

FROM: Perrin Palistrant   
Director of Operations and Operations Planning

THROUGH: Robert A. Schneider, PhD   
Executive Director

SUBJECT: November 2019 System Performance and Ridership Report

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*OMNIRIDE Express and Metro Express Service*

- November average daily ridership decreased 4.9 percent from October
- Year-over-year ridership continues to increase, particularly with adding new services at the beginning of November
- Once ridership trends normalize in early January, staff will analyze impacts of service enhancements

*OMNIRIDE Local Bus Service*

- November average daily ridership decreased 5.9 percent from October
- Holidays had some impact on ridership, but overall trends are still shifting downward
- Saturday ridership decreased from October, but overall has been stronger this year

*Vanpool Alliance Program*

- Enrollment remained steady at 674 vans
- Ridership reached a new November high for the program at 121,098, 4 percent higher than November 2018
- Month-to-month the ridership is down 15 percent due to holidays and seasonal variations

### OmniMatch Program

#### **Staff participated in:**

- **November 5** - Prince William County Chamber of Commerce – Education and Innovation Committee Meeting
- **November 6** – North Woodbridge Transit and Mobility Section Meeting
- **November 7** – Prince William County Chamber of Commerce Future of the Region Event – table top presence
- **November 8** – Alexandria Transit Mobility program Summit – table top presence
- **November 12** – Fort Belvoir Newcomers Orientation – table top presence
- **November 13** – national Geospatial Intelligence Agency (NGA) Transportation Fair – table top presence
- **November 19** – Commuter Connections Sub Committee Meeting
- **November 21** – Leadership Prince William Session – Environment and Open Spaces Day
- **November 21** – Legislative Kick-off Breakfast – table top presence

### Customer Service Statistics

- The call center received 7,778 calls in November
- Responded to 51 general information emails in November
- OMNIRIDE local trip denials in November were 1.37 percent, compared to 1.68 percent in October

### Passenger Complaints

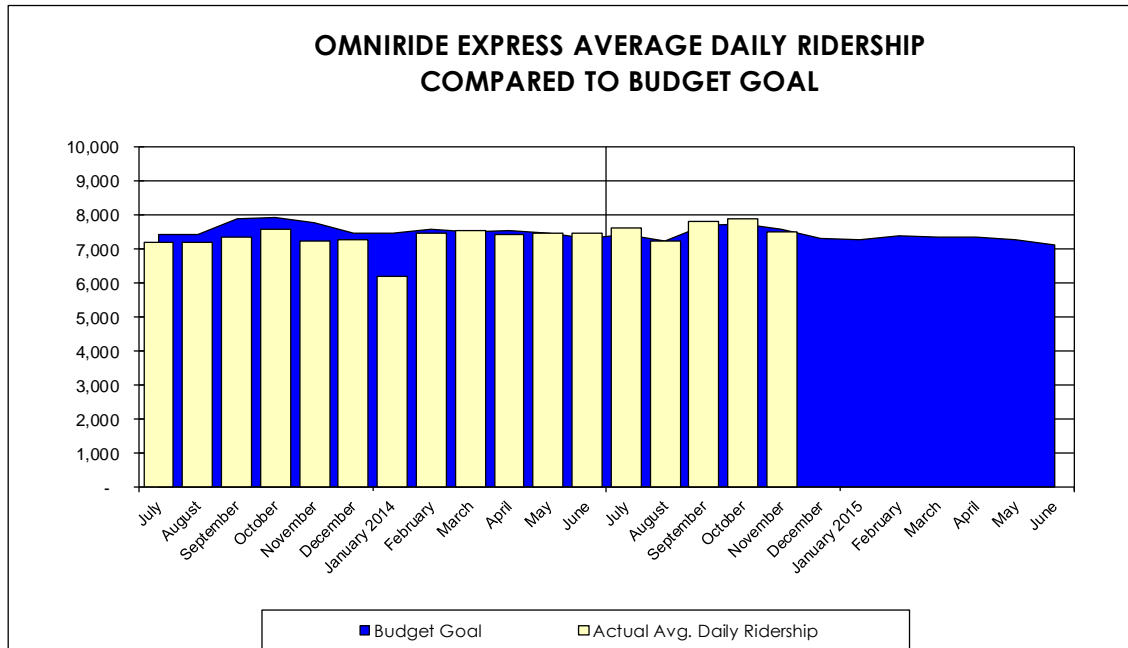
#### Complaint rate for OmniRide in November:

- OMNIRIDE Express and Metro Express complaint rate decreased 12 percent compared to November 2018
- OMNIRIDE local service complaint rate increased 6 percent compared to November 2018

Note: No OMNIRIDE Express service on Monday, November 11, 2019 due to the Veterans Day holiday and no service operated on November 28, 2019 for the Thanksgiving Day holiday.

## OMNIRIDE EXPRESS SERVICE

Month	Monthly Ridership		Average Daily Ridership			FY20 Budget Goal	Change from Goal
	FY19	FY20	FY19	FY20	% Change		
July	147,825	163,138	7,211	7,627	5.8%	7,451	176
August	163,900	140,151	7,194	7,256	0.9%	7,250	6
September	141,696	148,295	7,380	7,808	5.8%	7,722	86
October	166,311	176,101	7,579	7,886	4.1%	7,739	147
November	134,470	136,522	7,229	7,501	3.8%	7,589	(88)
December							
January							
February							
March							
April							
May							
June							
<b>Year to Date</b>	<b>754,202</b>	<b>764,207</b>	<b>7,319</b>	<b>7,616</b>	<b>4.1%</b>	<b>7,550</b>	<b>65</b>



***At year's end figures are revised, if needed, to account for any lingering data latency.***

7/18- Avg. Daily Ridership excludes week of Fourth of July holiday (2-6)

8/18- Avg. Daily Ridership excludes Friday before Labor Day (31)

10/18- Avg. Daily Ridership excludes Friday before Columbus Day (5) and Columbus Day (8)

11/18- Avg. Daily Ridership excludes Veterans Day (11), Snow impacts (15), Thanksgiving (21-23), ESP Tree Lighting (28)

12/18- Avg. Daily Ridership excludes State Funeral for George H.W. Bush (5), Weather closures (10), Christmas/New Year's Holiday (21-31)

1/19- Avg. Daily Ridership excludes Weather related school closures/delays (15, 29-31) and MLK Holiday (18,21)

2/19- Avg. Daily Ridership excludes Weather related school closures/delays (11, 20,21) and President's Day Holiday (18)

3/19- Avg. Daily Ridership excludes Weather related school closures/delays (1)

4/19- Avg. Daily Ridership excludes interstate closure ESP (4), PWC Spring Break (15-19)

5/19- Avg. Daily Ridership excludes Friday before Memorial Day (24)

7/19-Avg. Daily Ridership excludes 7/3, 4, 5 (Independence Day Holiday)

8/19-Avg. Daily Ridership excludes 8/1, 2, 5 (Work Stoppage), 30 (Friday before Labor Day)

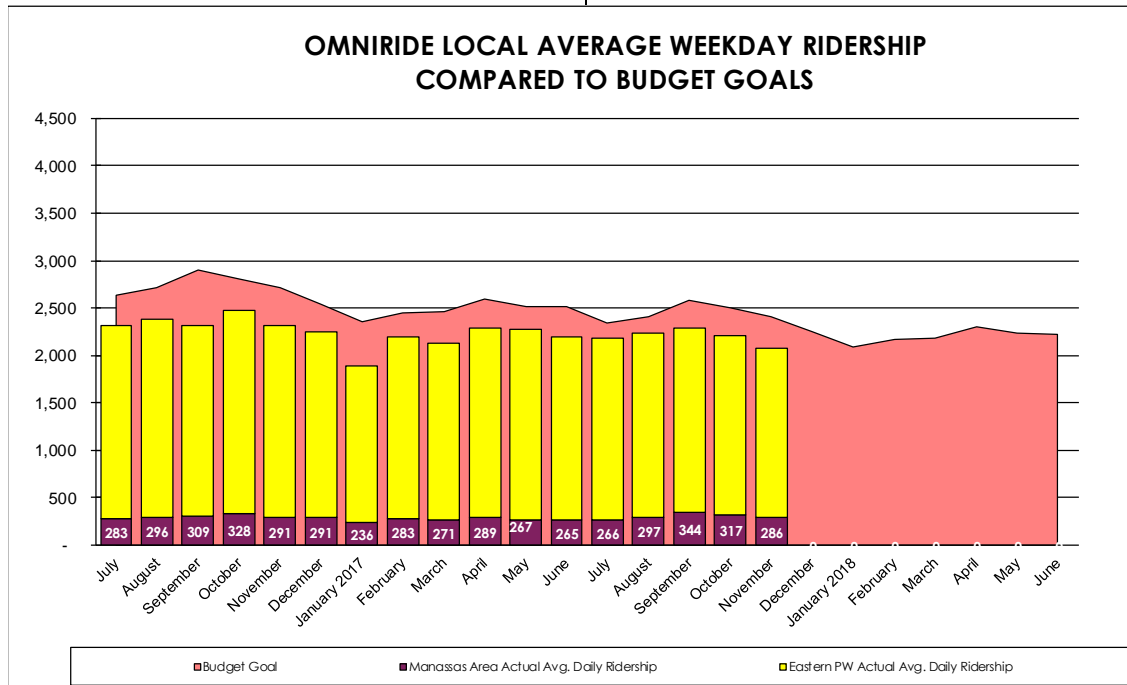
9/19-Avg. Daily Ridership excludes 9/20 (car free day), 9/23 (ESP due to demonstrations in DC)

10/19-Avg. Daily Ridership excludes (14) (Columbus Day)

11/19-Avg. Daily Ridership excludes (11) (Veterans Day), 27-29 (Thanksgiving)

## OMNIRIDE LOCAL SERVICE

WEEKDAY							
Month	Monthly Ridership		Average Daily Ridership			FY20 Budget Goal	Change from Goal
	FY19	FY20	FY19	FY20	% Change		
July	48,194	47,848	2,309	2,182	-5.5%	2,338	(156)
August	54,757	45,499	2,380	2,238	-6.0%	2,405	(167)
September	44,045	44,528	2,319	2,285	-1.5%	2,576	(291)
October	56,087	50,270	2,470	2,205	-10.7%	2,496	(291)
November	45,587	39,798	2,314	2,074	-10.4%	2,406	(332)
December							
January							
February							
March							
April							
May							
June							
<b>Year to Date</b>	<b>248,670</b>	<b>227,943</b>	<b>2,358</b>	<b>2,197</b>	<b>-6.9%</b>	<b>2,444</b>	<b>(248)</b>



**At year's end figures are revised, if needed, to account for any lingering data latency.**

10/18- Avg. Daily Ridership excludes Columbus Day (8)

11/18- Avg. Daily Ridership excludes Veterans Day (11), Snow (15), Thanksgiving (21-23)

12/18- Avg. Daily Ridership excludes Weather closures (10), Christmas/New Year's Holiday (21-31)

1/19- Avg. Daily Ridership excludes weather related closures/delays (15,29-31), MLK Holiday (21)

2/19- Avg. Daily Ridership excludes weather related closures/delays (11, 20, 21), President's Day Holiday (18)

3/19- Avg. Daily Ridership excludes weather related closures/delays (1)

4/19- Avg. Daily Ridership excludes PWC Spring Break (15-19)

7/19- Avg. Daily Ridership excludes 7/4 (Independence Day), 7/5 Day after Independence Day

8/19- Avg. Daily Ridership excludes 8/1, 2, 5 (work stoppage)

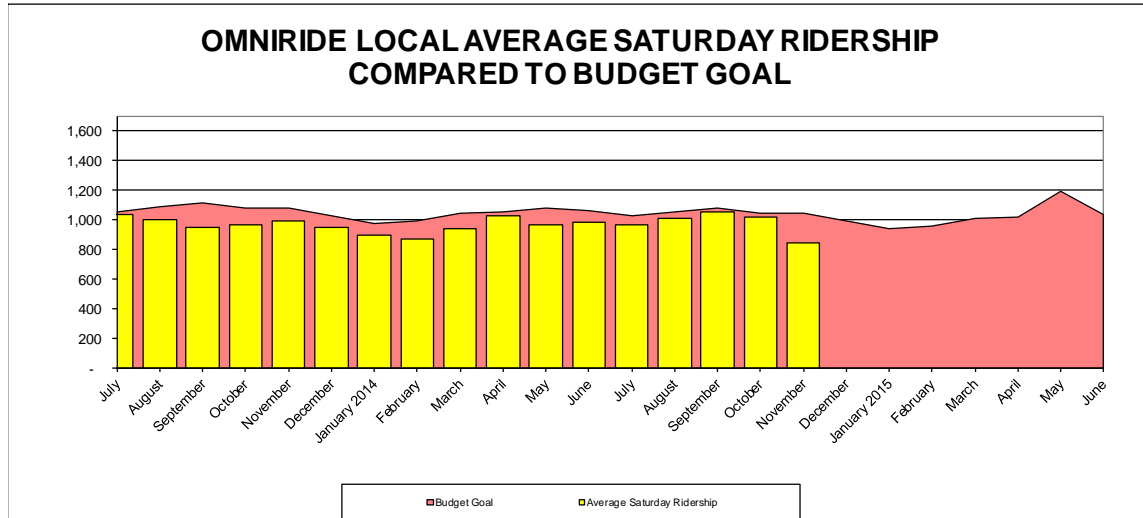
9/19- Avg. Daily Ridership excludes 9/20 (car free day)

10/19- Avg. Daily Ridership excludes (14) Columbus Day

11/19- Avg. Daily Ridership excludes (11) Veterans Day, 27-29 Thanksgiving

## OMNIRIDE LOCAL SERVICE

SATURDAY							
Month	Monthly Ridership		Average Saturday Ridership			Average Saturday FY20 Budget Goal	Change from Goal
	FY19	FY20	FY19	FY20	% Change		
July	3,788	3,864	1,040	966	-7.1%	1,025	(59)
August	4,001	5,032	1,000	1,006	0.6%	1,055	(49)
September	5,864	4,219	951	1,055	10.9%	1,078	(23)
October	3,857	4,063	964	1,016	5.4%	1,045	(29)
November	3,662	4,224	990	845	-14.6%	1,041	(196)
December							
January							
February							
March							
April							
May							
June							
<b>Year to Date</b>	<b>21,172</b>	<b>21,402</b>	<b>989</b>	<b>978</b>	<b>-1.2%</b>	<b>1,049</b>	<b>(71)</b>



***At year's end figures are revised, if needed, to account for any lingering data latency.***

7/18- Excludes significant rain/storms and traffic (21)

11/18- Excludes Thanksgiving weekend (24)

12/18- Excludes Cold/Snow (15)

1/19- Excludes snow/weather (11)

# OMNIMATCH / VANPOOL ALLIANCE

	OmniMatch				Vanpool Alliance			
	FY19	FY20	FY19	FY20	FY19	FY20	FY19	FY20
	New Applications Received	New Applications Received	Other Applications Received	Other Applications Received	Vanpools Enrolled	Vanpools Enrolled	Monthly Passenger Trips	Monthly Passenger Trips
July	53	52	6	10	669	674	125,864	139,650
August	42	41	27	6	669	674	136,402	132,224
September	35	56	11	13	670	674	118,472	131,999
October	44	52	11	2	670	674	130,798	143,962
November	56	41	8	3	671	674	116,453	121,098
December								
January								
February								
March								
April								
May								
June								
Average	46	48	13	7	670	674	125,598	133,787

1) "New PRTC Applications Received" include all new customers inquiring about rideshare options in Prince William, Manassas, and Manassas Park.

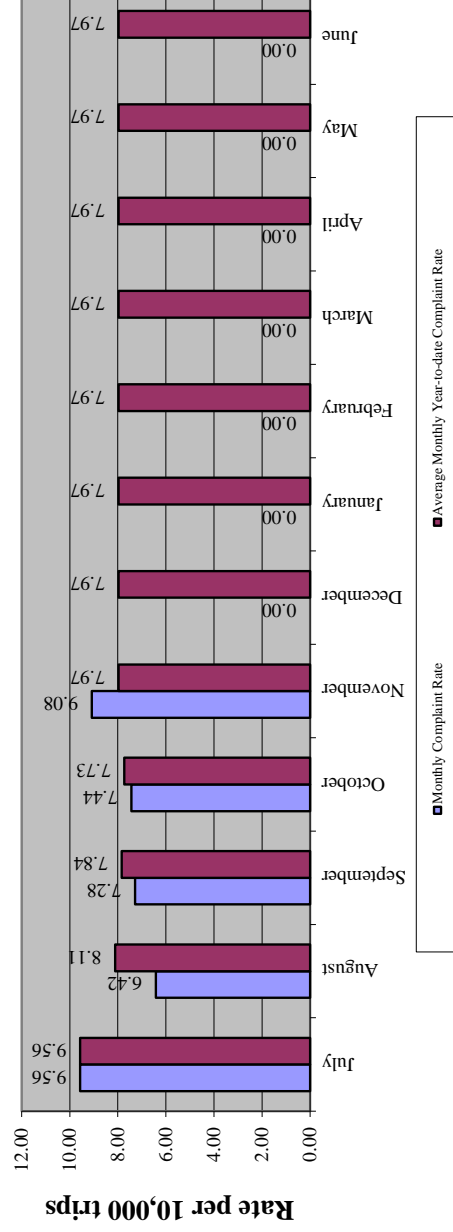
2) "Other Applications Received" include reapplicants, deletions and commuters contacted as a follow-up interested in remaining in the program.

3) "Vanpools Enrolled" includes all vanpools approved as of last day of the month.

FY 2019 Year-to-date OmniRide Express Complaints			
	Ridership	Complaints	Per 10k Trips
July	147,825	144	9.74
August	163,900	158	9.64
September	141,696	154	10.87
October	166,311	136	8.18
November	134,470	91	6.77
December			
January			
February			
March			
April			
May			
June			
<b>Year-to-date totals</b>	<b>754,202</b>	<b>683</b>	<b>9.06</b>

FY 2020 Year-to-date OmniRide Express Complaints			
	Ridership	Complaints	Per 10k Trips
July	163,138	156	9.56
August	140,151	90	6.42
September	148,295	108	7.28
October	176,101	131	7.44
November	136,522	124	9.08
December			
January			
February			
March			
April			
May			
June			
<b>Year-to-date totals</b>	<b>764,207</b>	<b>609</b>	<b>7.97</b>

**FY 2020 OmniRide Express Complaint Rate per 10,000 Trips  
Compared to Monthly Average**

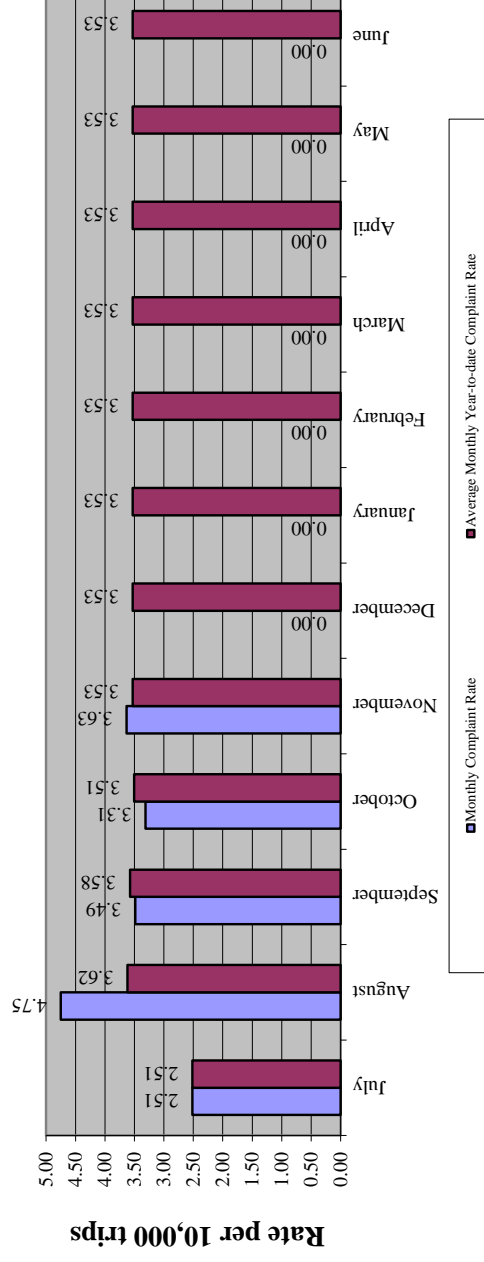


Complaint rates for OmniRide Express service for the current month and for the year-to-date in contrast to fiscal year 2019 overall rate, which is the benchmark for evaluating contractor performance for fiscal year 2020 in the bus services contract.

FY 2019 Year-to-date OmniRide Local Complaints			
	Ridership	Complaints	Per 10k Trips
July	51,982	28	5.39
August	58,758	20	3.40
September	49,909	12	2.40
October	59,944	23	3.84
November	49,249	7	1.42
December			
January			
February			
March			
April			
May			
June			
<b>Year-to-date totals</b>	<b>269,842</b>	<b>90</b>	<b>3.34</b>

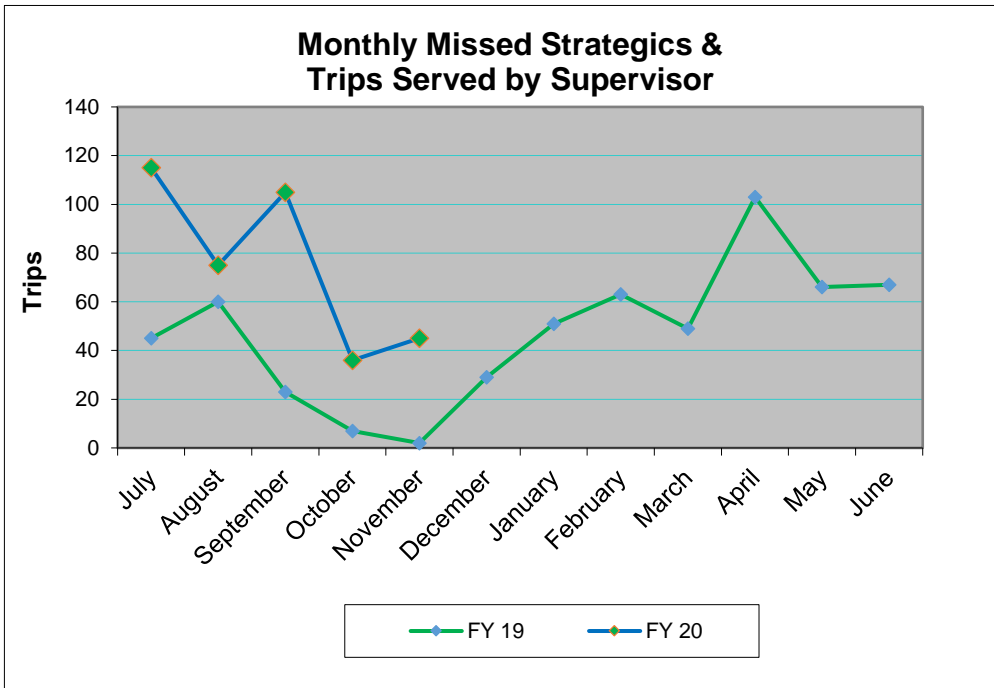
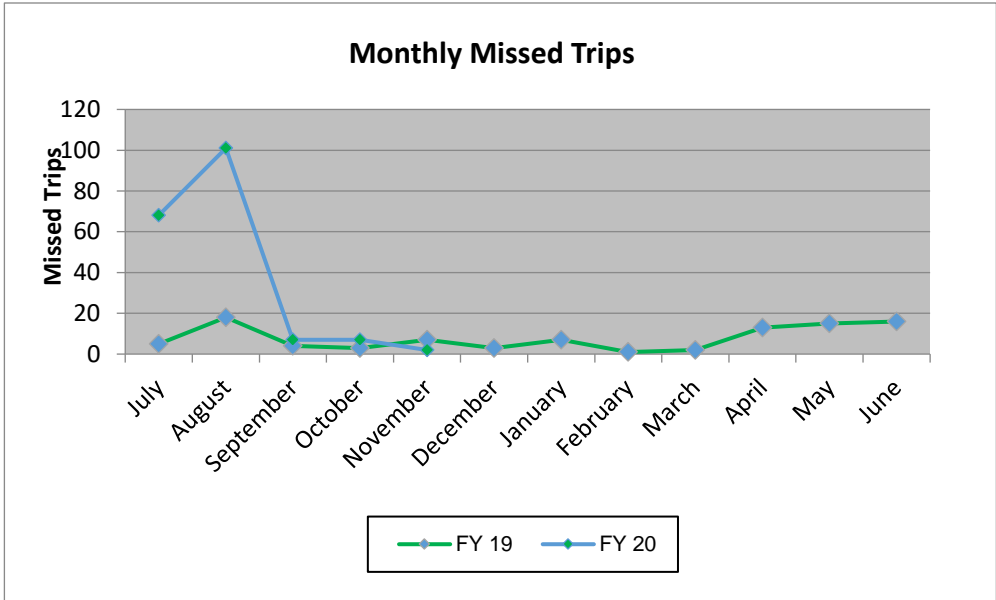
FY 2020 Year-to-date OmniRide Local Complaints			
	Ridership	Complaints	Per 10k Trips
July	51,712	13	2.51
August	50,531	24	4.75
September	48,747	17	3.49
October	54,333	18	3.31
November	44,022	16	3.63
December			
January			
February			
March			
April			
May			
June			
<b>Year-to-date totals</b>	<b>249,345</b>	<b>88</b>	<b>3.53</b>

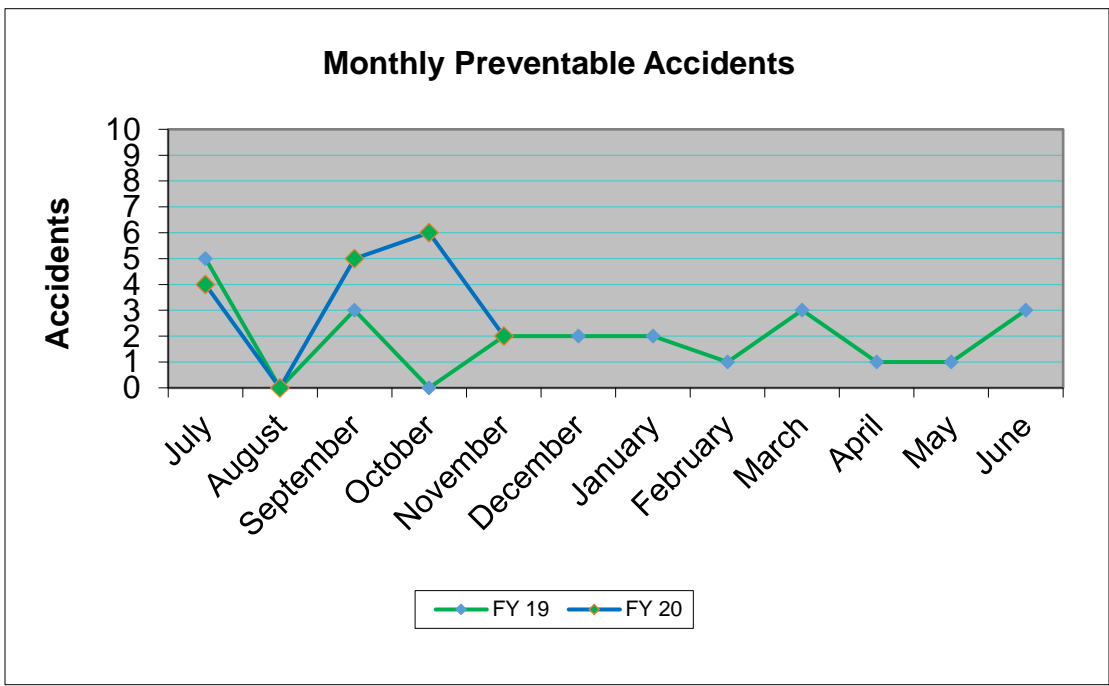
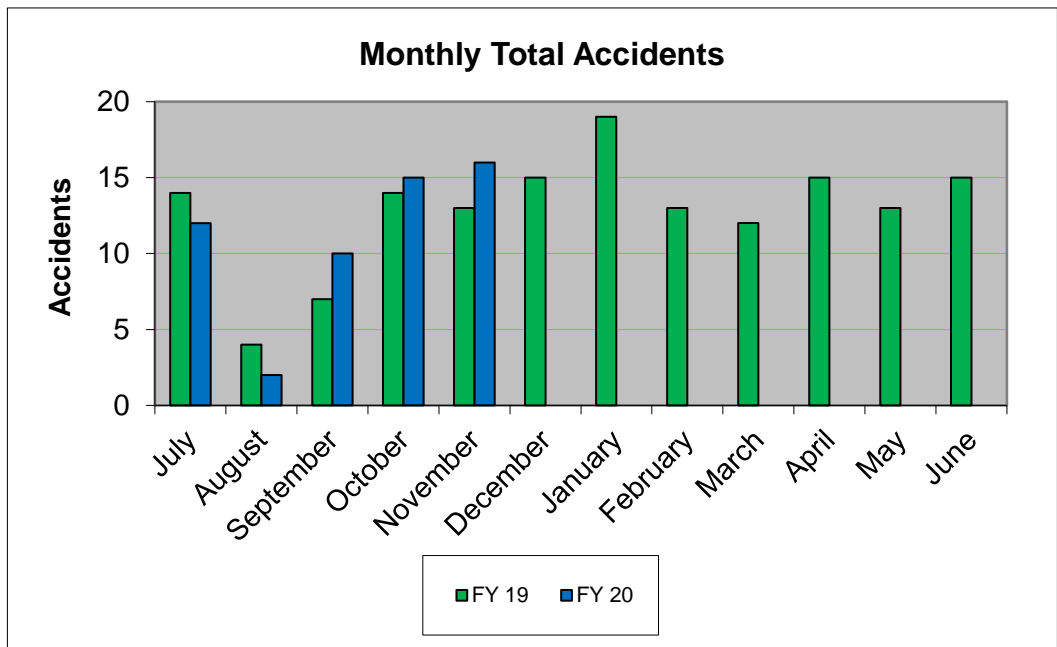
**FY 2020 OmniRide Local complaint rate per 10,000 Trips compared to monthly average**

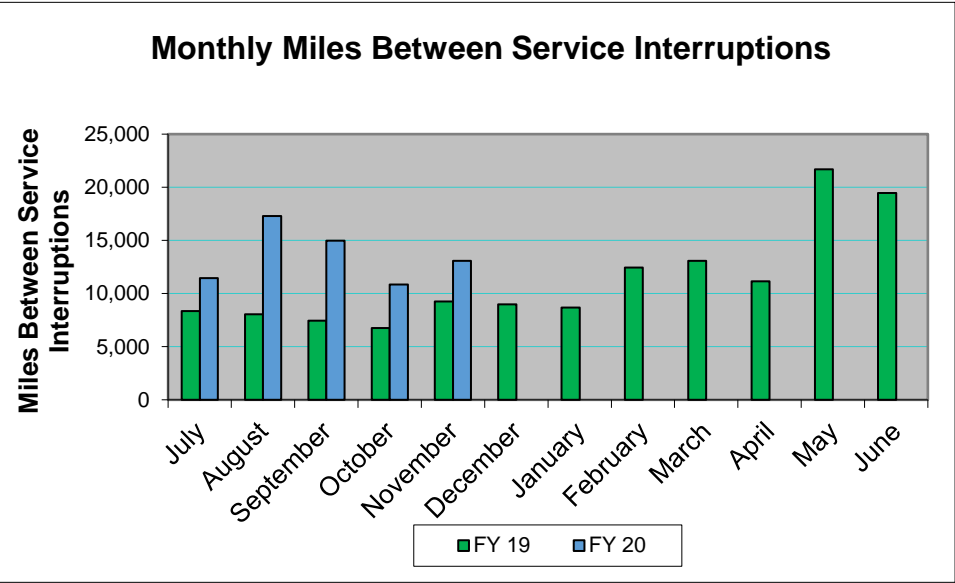
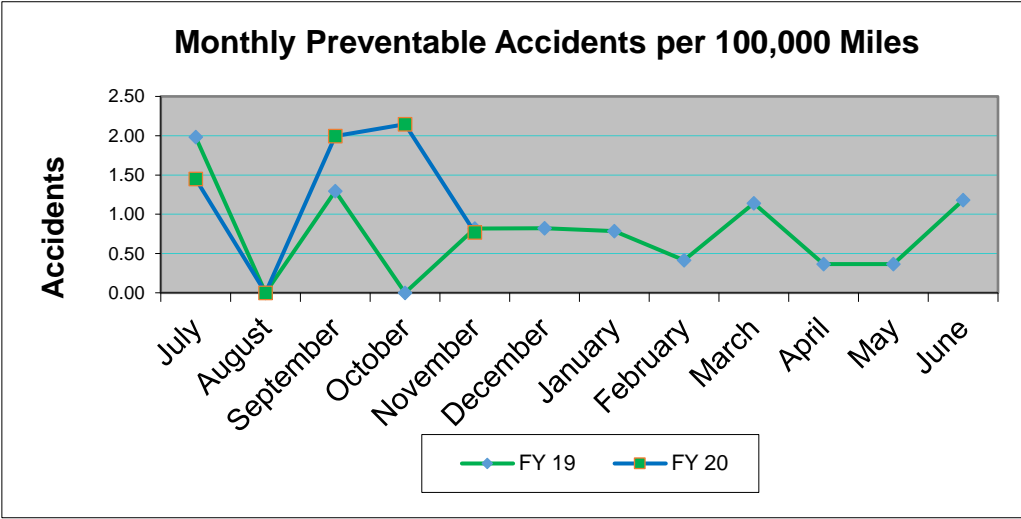


Complaint rates for OmniRide Local service for the current month and for the year-to-date in contrast to fiscal year 2019 overall rate, which is the benchmark for evaluating contractor performance for fiscal year 2020 in the new bus services contract.












January 16, 2020

TO: Vice Chair Sebesky and PRTC Commissioners

FROM: Robert A. Schneider, PhD   
Executive Director

SUBJECT: Revised Purchasing Authority Report

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On June 4, 2015, the Commission approved increasing the Executive Director's delegated purchasing authority from \$50,000 to \$100,000. It was resolved that any purchase of greater than \$50,000 would be communicated to the Board as an information item.

- In November 2019 there were no purchase orders issued within the Executive Director's new spending authority.



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BOB SCHNEIDER, EXECUTIVE DIRECTOR

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BYREN LLOYD, SAFETY & SECURITY MANAGER

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NOVEMBER 2019 |  
SAFETY DASHBOARD |



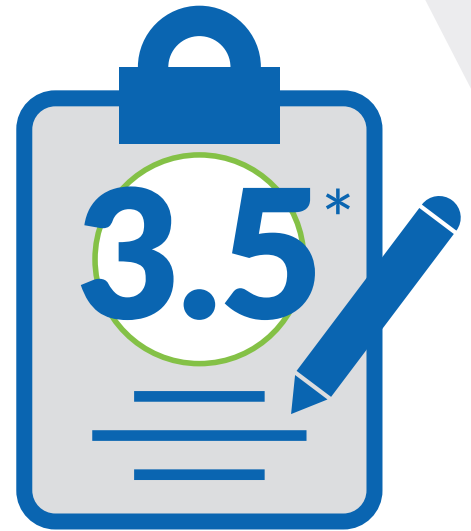
**OMNIRIDE** | NOVEMBER 2019



# MONTHLY SAFETY DASHBOARD

## ACCIDENT/INCIDENT RATE FREQUENCY

\*Per 100K miles



## ACCIDENTS/INCIDENTS BY DAY & SERVICE TYPE

### Accidents:

- Personal Injury
- Property Damage

### Incidents:

- Suspicious Package
- Disruptive Behavior
- Public Safety Occurrence

Local: 29%  
Express: 71%



MONDAY: 3

TUESDAY: 2

WEDNESDAY: 0

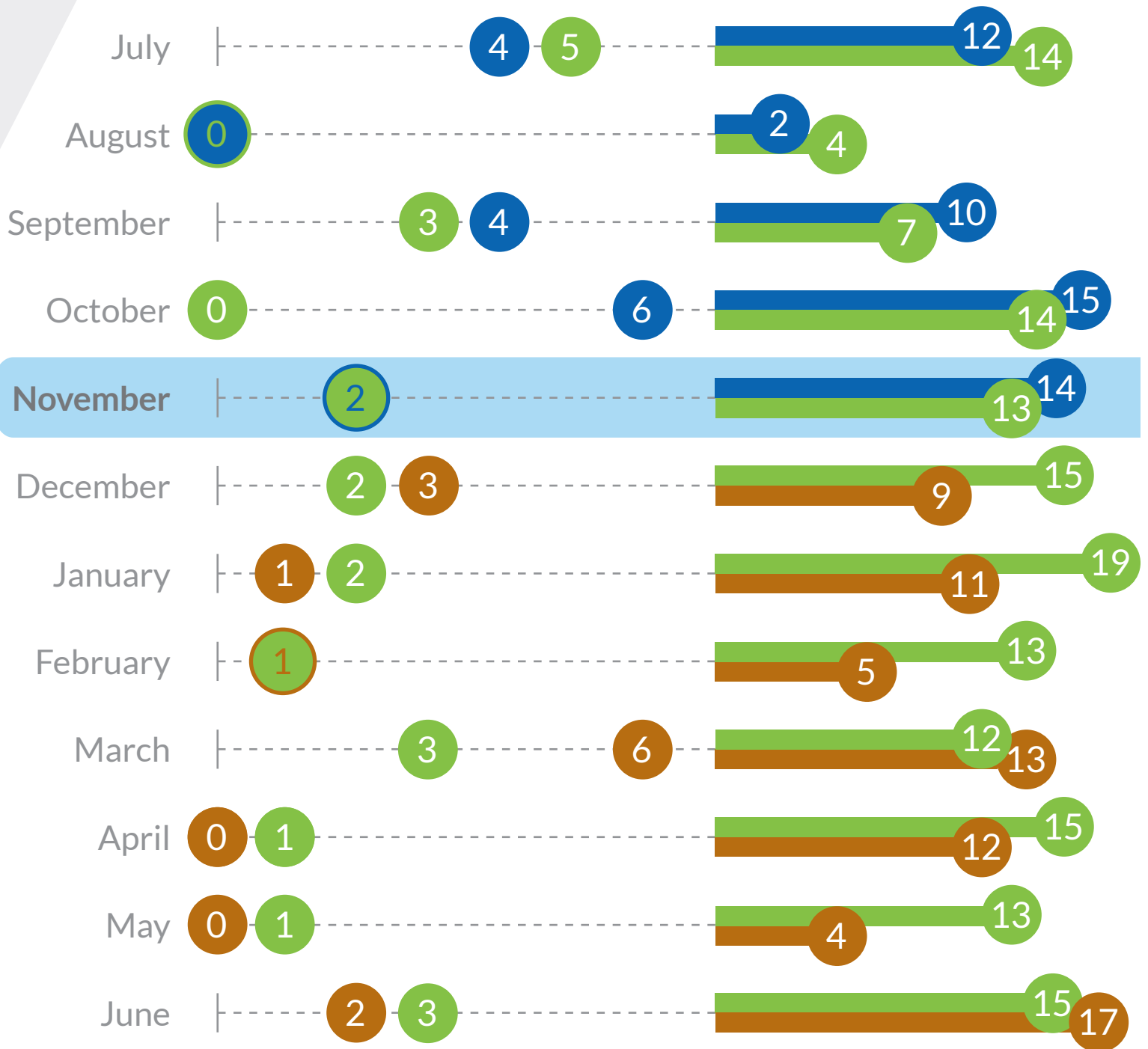
THURSDAY: 3

FRIDAY: 5

SATURDAY: 1

# PREVENTABLE ACCIDENTS/INCIDENTS

# ALL ACCIDENTS/ INCIDENTS



Fiscal Year:

# 2018

# 2019

# 2020

Current Period



# OMNIRIDE // KEY FOCUS AREAS

## ACCIDENTS IN REVENUE SERVICE VS. NON-REVENUE SERVICE



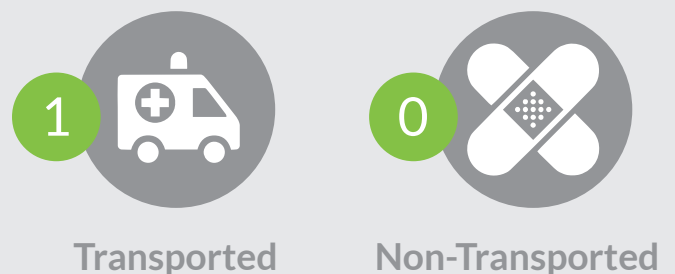
## ACCIDENTS IN WASHINGTON D.C. VS. VIRGINIA



## TOTAL ACCIDENTS & INCIDENTS WITH VEHICLES



## REPORTED INJURIES



## 90-DAY ACCIDENT/INCIDENT SPOTLIGHT

**39**  
Total\*

**44%\*\***

\*Total between months of September, October, November

\*\*Comparison versus the prior months of June, July, August





**FUEL TAX REPORT - FY20**  
**PRINCE WILLIAM COUNTY**

FY19 Ending Fund Balance (as of 6/30/19) from Unreimbursed Encumbrance\*  
 or Surplus/Deficit Collections (carryforward)

**9,116,760.25**

**Income**

	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
FY20 Motor Fuels Tax Revenue (Beginning 7/1/19)						
July 2019	1,476,731.09	1,235,300.00	241,431.09	1,476,731.09	1,235,300.00	241,431.09
August	1,911,679.18	1,235,300.00	676,379.18	3,388,410.27	2,470,600.00	917,810.27
September	1,050,112.83	1,235,300.00	(185,187.17)	4,438,523.10	3,705,900.00	732,623.10
October	1,337,833.15	1,235,300.00	102,533.15	5,776,356.25	4,941,200.00	835,156.25
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2020	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	<b>5,776,356.25</b>	<b>4,941,200.00</b>	<b>835,156.25</b>			

FY20 Year to Date Interest from Investment  
 (actual interest earned from collections)

**63,516.14**

FY20 PRTC Operating Carryforward (refund)

**2,984,000.00**

**Expenses**

Less:

Resolution 19-06-14 FY20 PRTC Subsidies	<u>(2,984,000.00)</u>
Total Expenses	<b><u>(2,984,000.00)</u></b>

**FY20 Fund Balance (as of 10/31/19)**

**14,956,632.64**

Outstanding Adopted Resolutions (Encumbrances)

Resolution 08-06-07 VRE Local Capital Match for Gainesville- Haymarket	173,000.00
Resolution 19-06-14 FY20 PRTC Subsidies	<u>13,884,300.00</u>
Total Encumbrances	<b>14,057,300.00</b>

FY20 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/19

**899,332.64**

(\*) Resolutions which have been encumbered will not be expended until funds become available



**FUEL TAX REPORT - FY20**  
**STAFFORD COUNTY**

FY19 Ending Fund Balance (as of 6/30/19) from Unreimbursed Encumbrance\*  
or Surplus/Deficit Collections (carryforward)

**5,653,804.91**

**Income**

FY20 Motor Fuels Tax Revenue (Beginning 7/1/19)

	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
July 2019	450,682.24	386,575.00	64,107.24	450,682.24	386,575.00	64,107.24
August	499,915.27	386,575.00	113,340.27	950,597.51	773,150.00	177,447.51
September	321,428.22	386,575.00	(65,146.78)	1,272,025.73	1,159,725.00	112,300.73
October	452,361.63	386,575.00	65,786.63	1,724,387.36	1,546,300.00	178,087.36
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2020	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	<b>1,724,387.36</b>	<b>1,546,300.00</b>	<b>178,087.36</b>			

FY20 Year to Date Interest from Investment  
(actual interest earned from collections)

**32,064.39**

FY20 PRTC Operating Carryforward (refund)

**63,300.00**

**Expenses**

Less:

Resolution 19-06-11	FY20 VRE Subsidies	(1,176,410.00)
Resolution 19-06-14	FY20 PRTC Subsidies	<u>(63,300.00)</u>
Total Expenses		<b><u>(1,239,710.00)</u></b>

**FY20 Fund Balance (as of 10/31/19)**

**6,233,846.66**

Outstanding Adopted Resolutions (Encumbrances)

Resolution 19-06-11	FY20 VRE Subsidies	1,176,410.00
Resolution 19-06-14	FY20 PRTC Subsidies	<u>40,900.00</u>
Total Encumbrances		<b>1,217,310.00</b>

FY20 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/19

**5,016,536.66**

(\*) Resolutions which have been encumbered will not be expended until funds become available



**FUEL TAX REPORT - FY20**  
**SPOTSYLVANIA COUNTY**

FY19 Ending Fund Balance (as of 6/30/19) from Unreimbursed Encumbrance\*  
or Surplus/Deficit Collections (carryforward)

**1,940,801.81**

**Income**

FY20 Motor Fuels Tax Revenue (Beginning 7/1/19)

	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
July 2019	537,045.10	423,416.67	113,628.43	537,045.10	423,416.67	113,628.43
August	560,794.99	423,416.67	137,378.32	1,097,840.09	846,833.34	251,006.75
September	363,179.29	423,416.67	(60,237.38)	1,461,019.38	1,270,250.01	190,769.37
October	558,517.45	423,416.67	135,100.78	2,019,536.83	1,693,666.68	325,870.15
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2020	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	<b>2,019,536.83</b>	<b>1,693,666.68</b>	<b>325,870.15</b>			

FY20 Year to Date Interest from Investment  
(actual interest earned from collections)

**19,025.72**

FY20 PRTC Operating Carryforward (refund)

**71,900.00**

**Expenses**

Less:

Resolution 19-06-11 FY20 VRE Subsidies	(642,835.00)
Resolution 19-06-14 FY20 PRTC Subsidies	<u>(71,900.00)</u>
Total Expenses	<b>(714,735.00)</b>

**FY20 Fund Balance (as of 10/31/19)**

**3,336,529.36**

Outstanding Adopted Resolutions (Encumbrances)

Resolution 18-11-07 Various Projects	9,467.87
Resolution 19-04-05 Various Projects	708,567.75
Resolution 19-06-11 FY20 VRE Subsidies	642,835.00
Resolution 19-06-14 FY20 PRTC Subsidies	<u>42,300.00</u>
Total Encumbrances	<b>1,403,170.62</b>

FY20 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/19

**1,933,358.74**

(\*) Resolutions which have been encumbered will not be expended until funds become available



**FUEL TAX REPORT - FY20**  
**CITY OF FREDERICKSBURG**

FY2019 Ending Fund Balance (as of 6/30/19) from Unreimbursed Encumbrance\*  
or Surplus/Deficit Collections (carryforward)

**1,530,475.74**

**Income**

FY20 Motor Fuels Tax Revenue (Beginning 7/1/19)

	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
July 2019	145,551.01	149,250.00	(3,698.99)	145,551.01	149,250.00	(3,698.99)
August	165,640.39	149,250.00	16,390.39	311,191.40	298,500.00	12,691.40
September	98,996.96	149,250.00	(50,253.04)	410,188.36	447,750.00	(37,561.64)
October	136,860.11	149,250.00	(12,389.89)	547,048.47	597,000.00	(49,951.53)
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2020	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	<b>547,048.47</b>	<b>597,000.00</b>	<b>(49,951.53)</b>			

FY20 Year to Date Interest from Investment  
(actual interest earned from collections)

**9,833.85**

FY20 PRTC Operating Carryforward (refund)

**28,100.00**

**Expenses**

Less:

Resolution 19-06-11	FY20 VRE Subsidies	(160,514.00)
Resolution 19-06-14	FY20 PRTC Subsidies	<u>(28,100.00)</u>
Total Expenses		<b>(188,614.00)</b>

**FY20 Fund Balance (as of 10/31/19)**

**1,926,844.06**

Outstanding Adopted Resolutions (Encumbrances)

Resolution 19-06-10	Various Projects	432,642.00
Resolution 19-06-11	FY20 VRE Subsidies	160,514.00
Resolution 19-06-14	FY20 PRTC Subsidies	<u>12,200.00</u>
Total Encumbrances		<b>605,356.00</b>

FY20 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/19

**1,321,488.06**

(\*) Resolutions which have been encumbered will not be expended until funds become available



**FUEL TAX REPORT - FY20**  
**CITY OF MANASSAS**

FY19 Ending Fund Balance (as of 6/30/19) from Unreimbursed Encumbrance\*  
or Surplus/Deficit Collections (carryforward)

**847,558.91**

**Income**

	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
FY20 Motor Fuels Tax Revenue (Beginning 7/1/19)						
July 2019	86,846.19	87,608.33	(762.14)	86,846.19	87,608.33	(762.14)
August	79,902.76	87,608.33	(7,705.57)	166,748.95	175,216.66	(8,467.71)
September	81,080.78	87,608.33	(6,527.55)	247,829.73	262,824.99	(14,995.26)
October	89,210.83	87,608.33	1,602.50	337,040.56	350,433.32	(13,392.76)
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2020	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	<b>337,040.56</b>	<b>350,433.32</b>	<b>(13,392.76)</b>			

FY20 Year to Date Interest from Investment  
(actual interest earned from collections)

**3,191.75**

FY20 PRTC Operating Carryforward (refund)

**50,600.00**

Reimbursement from DRPT Grant and Transfer from Manassas

**-**

**Expenses**

Less:

Resolution 19-06-11	FY20 VRE Subsidies	(347,371.00)
Resolution 19-06-14	FY20 PRTC Subsidies	(50,600.00)

Total Expenses

**(397,971.00)**

**FY20 Fund Balance (as of 10/31/19)**

**840,420.22**

Outstanding Adopted Resolutions (Encumbrances)

Resolution 18-06-08	FY19 Parking Garage Debt Service	212,000.00
Resolution 19-06-11	FY20 VRE Subsidies	347,371.00
Resolution 19-06-14	FY20 PRTC Subsidies	<u>420,700.00</u>

Total Encumbrances

**980,071.00**

FY20 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/19

**(139,650.78)**

(\*) Resolutions which have been encumbered will not be expended until funds become available



**FUEL TAX REPORT - FY20**  
**CITY OF MANASSAS PARK**

FY19 Ending Fund Balance (as of 6/30/19) from Unreimbursed Encumbrance\*  
or Surplus/Deficit Collections (carryforward)

**2,854,976.21**

**Income**

FY20 Motor Fuels Tax Revenue (Beginning 7/1/19)

	Monthly Actual	Monthly Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
July 2019	72,715.48	79,350.00	(6,634.52)	72,715.48	79,350.00	(6,634.52)
August	91,708.34	79,350.00	12,358.34	164,423.82	158,700.00	5,723.82
September	40,281.33	79,350.00	(39,068.67)	204,705.15	238,050.00	(33,344.85)
October	71,725.55	79,350.00	(7,624.45)	276,430.70	317,400.00	(40,969.30)
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January 2020	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
	<b>276,430.70</b>	<b>317,400.00</b>	<b>(40,969.30)</b>			

FY20 Year to Date Interest from Investment  
(actual interest earned from collections)

**19,658.36**

FY20 PRTC Operating Carryforward (refund)

**27,100.00**

**Expenses**

Less:

Resolution 19-06-11	FY20 VRE Subsidies	(202,742.50)
Resolution 19-06-14	FY20 PRTC Subsidies	<u>(27,100.00)</u>
Total Expenses		<b>(229,842.50)</b>

**FY20 Fund Balance (as of 10/31/19)**

**2,948,322.77**

Outstanding Adopted Resolutions (Encumbrances)

Resolution 09-11-07	Road improvements	93,139.69
Resolution 10-11-05	Road improvements	234,500.00
Resolution 13-06-08	Safe routes to school project	200,000.00
Resolution 15-05-07	Road improvements	371,164.00
Resolution 17-07-06	Road improvements	116,000.00
Resolution 17-07-07	Road improvements	206,000.00
Resolution 19-06-11	FY20 VRE Subsidies	202,742.50
Resolution 19-06-14	FY20 PRTC Subsidies	222,600.00
Resolution 19-11-08	Sign installations	15,000.00
Resolution 19-11-09	Mathis Avenue signal battery backup	<u>10,000.00</u>

Total Encumbrances

**1,671,146.19**

FY20 Fund Balance Less Outstanding Adopted Resolutions as of 10/31/19

**1,277,176.58**

(\*) Resolutions which have been encumbered will not be expended until funds become available



U.S. Department  
of Transportation

**Federal Transit  
Administration**

REGION III  
Delaware, District of  
Columbia, Maryland,  
Pennsylvania, Virginia,  
West Virginia

1835 Market Street  
Suite 1910  
Philadelphia, PA 19103-2932  
215-656-7100

December 17, 2019

Dr. Robert A. Schneider  
Executive Director  
Potomac and Rappahannock Transportation Commission  
14700 Potomac Mills Road  
Woodbridge, VA 22192

Subject: FY 2019 FTA Procurement System Follow up Review Final Report

Dear Dr. Schneider:

The enclosed final report documents the Federal Transit Administration's (FTA) Follow-Up Procurement System Review (PSR) of the Potomac and Rappahannock Transportation Commission (PRTC). Although not an audit, the Procurement System Review is the FTA's assessment of PRTC's compliance with Federal requirements, determined by examining a sample of procurement implementation practices. This review was done as a follow-up to a PSR conducted in FY 2016.

The Follow-Up PSR was conducted by our contractor, Business Management Research Associates, Inc. (BMRA) from August 26-29, 2019. The Follow-Up PSR was a review of the 11 elements found to be Deficient during the FY 2016 PSR. PRTC was found to be Not Deficient in 9 of the elements, and Deficient in 2 of the elements. The comments provided in PRTC's response dated November 8, 2019 to the Draft Report were reviewed and considered in preparing the Final Report.

Thank you for your cooperation and assistance during this Follow-Up PSR. Further corrective actions taken on this report should be coordinated with our office so we can close report deficiencies in a timely manner. If you have any questions, please contact Jason Yucis. He can be reached at 215-656-7056 or at [jason.yucis@dot.gov](mailto:jason.yucis@dot.gov).

Sincerely,

Anthony Tarone  
Deputy Regional Administrator

**FINAL REPORT  
OF THE  
FOLLOW UP PROCUREMENT SYSTEM REVIEW  
OF  
Potomac and Rappahannock Transportation Commission  
(PRTC)**



**WOODBIDGE, VIRGINIA**

**AUGUST 2019**



**Conducted by a Procurement  
Management Review Team from  
Business Management Research Associates, Inc.  
Fairfax, Virginia**



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## I. EXECUTIVE SUMMARY

Business Management Research Associates (BMRA), under contract with the Federal Transit Administration (FTA), performed an on-site Follow up Procurement System Review of the Potomac and Rappahannock Transportation Commission (PRTC) and the Virginia Railway Express (VRE) during the period of August 26, 2019 through August 29, 2019.

The Federal Transit Administration (FTA) has a vested interest in assisting recipients to maintain efficient and effective procurement systems as well as a legal responsibility to ensure that its recipients expend their funds in accordance with FTA regulations, the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (2 CFR 200, Uniform Guidance) and the contractual agreements between FTA and the local recipient. In order to carry out this responsibility, FTA has established an oversight framework that is composed of recipient self-certifications, annual single audits conducted in accordance with OMB Circular A-133, and FTA oversight reviews, including the Procurement System Review (PSR). The BMRA team conducted the review in accordance with the FTA Guide for Procurement System Reviews (FY 2019).

This review was performed in accordance with FTA procedures and included a risk assessment phase and a contract review phase. The risk assessment phase included a review of data available at the FTA Regional Office. The contract review phase consisted of a recipient document review and a system wide requirement review.

The contract review phase included a review of contract files and documents collected during the risk assessment phase and the contract files at PRTC and the VRE. The specific documents referenced in this report are available in the PSR Reviewers Office (BMRA) or at the PRTC and VRE offices. The PRTC and VRE acquire goods, services, and architect-engineering and has also contracted for buses during the past five years.

This was a follow up review of the eleven (11) deficient elements identified in the August 2016 Procurement System Review, therefore the scope of this review was limited to these eleven (11) elements versus the sixty-four (64) elements of a full Procurement System Review. See Table 1 below. The elements out of the scope of this review will be identified as such in the appropriate section of this report.

The review found two (2) repeat deficient elements. See Table 2 below. These deficiencies are addressed in the body of the report.

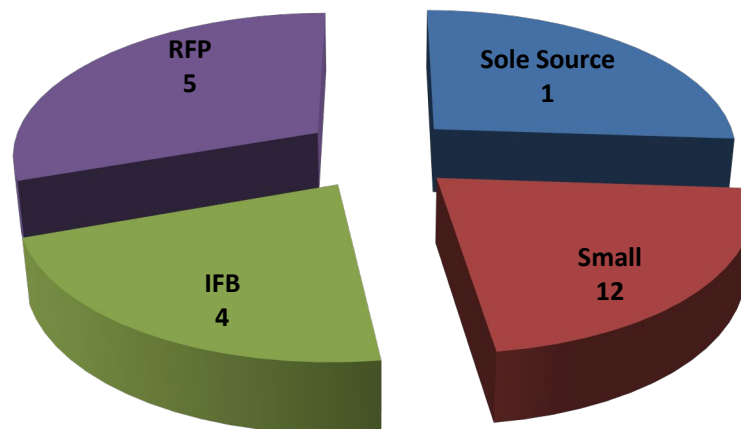
TABLE 1	
Element	Deficiencies in the August 2016 PSR
7	Independent Cost Estimate (PRTC & VRE Deficient)
18	Award to Responsible Contractors (VRE Deficient)
19	Sound and Complete Agreement (PRTC & VRE Deficient)

23	Price Quotations (Small Purchases) (PRTC Deficient)
24	Clear, Accurate, and Complete Specification (PRTC Deficient)
41	Cost or Price Analysis (PRTC & VRE Deficient)
42	Written Record of Procurement History (PRTC Deficient)
45	Advance Payments (PRTC Deficient)
49	Liquidated Damages Provisions (VRE Deficient)
56	Clauses (PRTC & VRE Deficient)
57	Veterans Employment (PRTC & VRE Deficient)

<b>TABLE 2</b>	
<b>Deficiencies in the August 2019 PSR</b>	
18	Award to Responsible Contractors (PRTC Deficient)
19	Sound and Complete Agreement (PRTC & VRE Deficient)

## Procurements Reviewed

FTA-funded contracts having expenditures during the 24-month period preceding June 30, 2019 were reviewed to assess compliance with FTA Circular 4220.1F, OMB Super Circular, and the Fixing America Surface Transit (FAST) Act (for procurements after 2015). Reviews were performed on PRTC & VRE with findings summarized. Twenty-two (22) procurements were reviewed. The breakdown is depicted below. This sample included one (1) bus purchase contract and one (1) sole source. There were no construction contracts award by the PRTC or the VRE during the period of the review.



## II. PROCUREMENT SYSTEM REVIEW BACKGROUND

### DESCRIPTION

The objectives of the Procurement System Review (PSR) are to encourage and facilitate improved recipient procurement operations, promote the use of best practices, and assess the recipient's compliance with all Federal requirements, specifically the requirements of FTA Circular 4220.1F and the Pre-Award, Post-Delivery Rule, applicable to Buy America requirements. The PSR is designed to be a customer-oriented review that encourages working relationships between FTA and the recipients.

This procurement system review was performed in accordance with FTA procedures and includes a risk assessment phase, a contract review phase, and a reporting phase. The risk assessment

phase includes a review of regional office documents, grantee documents, system-wide requirements and risk assessment documents. The contract review phase includes a site visit, interviews, sample selection, contract file review, and follow-up interviews. The specific documents reviewed are referenced in this report and are available at the recipient's office. The reporting phase consists of reporting the findings of the review, to include the Transit Agency comments. This final phase includes a draft report, a draft final report, and a final report.

Individuals attending the Entrance or Exit Conference are shown in Appendix A.

## REQUIRED ELEMENTS

The PSR looks at both system-wide and individual procurement elements. System-wide procurement elements are requirements that apply to the procurement system as a whole. Since none of the system wide elements were deficient in the August 2016 PSR they were considered out of the scope of this review. Individual procurement elements are evaluated on an individual contract basis and summarized across all contracts reviewed.

## CLASSIFICATION OF FINDINGS

The reviewer determined the status (not deficient/deficient) for each individual procurement element in the scope of this review. The reviewer determined the status for: each individual procurement element based upon all the contract files reviewed.

Two levels of findings are used:

***Not Deficient:*** A finding of “not deficient” indicates that the recipient complied with the basic requirements of the element. This is defined as, “The review of selected procurement files found that in all instances the recipient complied with the requirement.”

***Deficient:*** A finding of “deficient” indicates that the recipient did not always comply with the requirements of the element. This is defined as, “The review of selected procurement files found that in one or more of the applicable instances, the recipient did not comply with the requirement.”

## DESCRIPTION OF THE GRANTEE

### Organization

Potomac and Rappahannock Transportation Commission (PRTC dba OmniRide) is a regional transit district created under Virginia enabling legislation (Transportation District Act, Virginia Code Section 15.2-4500 et. seq.). The district comprises Prince William, Stafford, and Spotsylvania counties and the cities of Manassas, Manassas Park, and Fredericksburg. The Board has 17 members, including two state delegates, one state senator, 13 representatives of the member jurisdictions, and one ex-officio representative from the Virginia Department of Rail and Public Transportation. PRTC applies for FTA funds under a “split-letter” agreement between the Washington Metropolitan Area Transportation Authority, the Maryland Transit Administration, and the FTA.

In 1989, PRTC and NVTC, through a joint powers agreement with founding member jurisdictions, formed Virginia Railway Express (VRE) for the purpose of providing commuter rail service in the two transit districts. Current member jurisdictions include Arlington, Fairfax, Prince William, Stafford, and Spotsylvania counties and the cities of Alexandria, Fredericksburg, Manassas, and Manassas Park. VRE is overseen by an operations board consisting of 14 members, 13 of whom are recommended for appointment by the member jurisdictions with the concurrence of the pertinent commission. The 14<sup>th</sup> member is an appointee of the Commonwealth Transportation Board.

VRE is not a legal entity under Virginia law and, therefore, is not an FTA grantee. PRTC is the permanent designee of NVTC and the VRE Operations Board for the receipt and management of Federal funds for VRE projects. PRTC and NVTC have delegated to the VRE Operations Board full discretionary spending authority provided the amount is included in the annual budget and six-year financial plan (with the exception of 1) CSX, Norfolk Southern and Amtrak or other operating agreements, 2) insurance agreements, and 3) purchase of real property or equipment in the Commissions' name), the authority for approval of fare changes (tariffs) provided they are consistent with annual budgets and six-year financial plans (provided the requirement for a public hearing is maintained), the authority to determine the spending authority of VRE's chief executive officer (CEO), and the authority to determine the level of compensation for the CEO. VRE coordinates its operations with the numerous agencies and jurisdictions by means of a planning task force, which meets monthly. The task force consists of staff members of VRE, PRTC, NVTC, and representatives of the local jurisdictions and the Commonwealth.

### **Services**

PRTC provides commuter and local route deviation bus service in Prince William County and the cities of Manassas and Manassas Park. All service is operated by a contractor, First Transit.

Commuter bus service, known as OmniRide Express and OmniRide Metro Express operates weekdays from 4:30 a.m. to 11:00 p.m. on 18 routes to Washington, DC, Northern Virginia destinations, and selected Metro stations. One route to the Franconia-Springfield Metrorail station operates Saturdays from 7:30 a.m. to 11:00 p.m.

Local bus service, called OmniRide Local, consists of six routes, four of which serve eastern Prince William County and two of which serve the cities of Manassas and Manassas Park. Weekdays, buses operate from 5:00 a.m. to 11:00 p.m. A commuter route called the OmniRide Cross County Connector connects the service operated in the cities of Manassas and Manassas Park with the service operated in eastern Prince William County. Saturdays, OmniRide Local operates in eastern Prince William County from 6:45 a.m. to 11:00 p.m. OmniRide Local buses deviate up to three-quarters of a mile off the route for pick-ups and drop-offs scheduled at least two hours in advance.

PRTC operates from a single management and operations headquarters in Woodbridge. Staff consists of executive, administrative, and dispatch employees. All other transportation and maintenance personnel are the employees of First Transit. An on-site First Transit General Manager directs the transportation and maintenance operations.

The cash fare for local OmniRide Local and the OmniRide Cross County Connector is \$1.55. During all hours, a reduced fare of \$0.75 is offered to seniors (60+), persons with disabilities, and

Medicare cardholders. For a full-fare passenger, deviations cost \$1.55. For a passenger who qualifies for half fare, there is no deviation surcharge. Pre-payment options include SmartTrip, day and weekly passes, and ten-packs of tokens.

OmniRide Express' fares range from \$4.25 to \$9.20. Half fares are available for seniors (60+), persons with disabilities, and Medicare cardholders boarding during off-peak hours (9:30 a.m. to 3:00 p.m. and after 7:00 p.m.). Pre-payment options include SmartTrip.

PRTC operates a fleet of 177 buses. The fleet consists of 30- and 40-foot transit coaches and 45-foot over-the-road coaches. Currently, the peak requirement was 152 buses, resulting in a spare ratio of 20 percent. There is a contingency fleet of 24 buses and 1 bus is being readied for auction.

VRE operates 32 trains daily on two rail lines, Fredericksburg and Manassas. Both lines terminate at Washington Union Station. The Fredericksburg Line has 13 stations and the Manassas Line has ten. Four stations are served by both lines. The first trains leave the Spotsylvania and Broad Run terminus stations at 4:54 a.m. and 5:05 a.m., respectively. The last trains arrive at the Spotsylvania Station at 8:27 p.m. and the Broad Run Station at 8:09 p.m. VRE has a variety of occupancy arrangements on the station properties, including outright ownership of some assets, joint ownership, and leases. VRE contracts a facilities management firm for daily inspection and maintenance of its stations and commuter parking lots.

VRE contracts with Keolis Rail Services Virginia for rail operations and maintenance. Maintenance is performed at VRE's Broad Run or Crossroads Maintenance and Storage Facility at the end of each line. Equipment is stored overnight at the yards. VRE has a fleet of 79 coaches, 21 cab cars, and 20 locomotives. VRE's management office is in Alexandria, Virginia.

VRE has a zone fare system. The following table presents the fares.

	<b>VRE Full Fares</b>	<b>VRE Half Fares</b>
Single Ride Ticket	\$3.50 - \$12.15	\$1.75 - \$6.05
Day Pass	\$7.00 - \$24.30	\$3.50 - \$12.15
Ten-Ride Ticket	\$32.20 - \$111.80	\$16.10 - \$55.90
Five-Day Pass	\$28.00 - \$97.20	\$14.00 - \$48.60
Monthly Pass	\$97.00 - \$336.80	\$48.50 - \$168.40

### **III. RESULTS OF THE REVIEW**

The results of the review are summarized for each system wide and individual procurement element. For each procurement guidance element, the report describes the required element, cites a reference to FTA Circular 4220.1F and other applicable regulations, discusses the issues and identifies the finding, and recommends corrective actions and schedules and shows related management comments. The PSR Report summary table is provided in Appendix C.

Overall, PRTC and VRE demonstrated their compliance in a number of key areas required by FTA and OMB guidance. The deficiencies identified are summarized overall in the table below and are detailed in the following sections.

<b>Elements</b>	<b>PRTC/VRE</b>
Area Not Deficient	9
Areas Deficient	2
Not Applicable or Not Covered in the Scope of the Review	53

## **SYSTEM-WIDE PROCUREMENT ELEMENTS**

As stated above the PRTC & VRE were not deficient in any of the System Wide Elements during the August 2016 PSR, therefore, no information is provided in this section.

## **INDIVIDUAL PROCUREMENT ELEMENTS**

The individual procurement elements are applicable to the contract files reviewed. We compiled the findings from all contracts reviewed by each individual procurement element. The results are organized by category of findings. Those elements for which the recipient is in compliance with are shown first, followed by the elements that are found to be deficient.

## **IV. PRTC/VRE Results**

### **PRTC/VRE System-Wide Procurement Elements**

#### **Not Applicable**

The recipient was not deficient in the following systemwide procurement elements during the August 2016; therefore, they were not part of the scope of this review:

Element 1 – Written Standards of Conduct

Element 2 - Contracts Administration

Element 3 – Written Protest Procedures

Element 4 – Prequalification System

Element 5 – Procedures for Ensuring Most Efficient and Economic Purchase

Element 6 - Procurement Policies and Procedures

#### **Deficient**

Not applicable to this review.



## **PRTC/VRE Individual Procurement Elements**

### **Not Deficient**

A full description of the elements for which the recipient is not deficient is in Appendix D.

- Element 7 – Independent Cost Estimate
- Element 23 – Price Quotations (Small Purchase)
- Element 24 – Clear, Accurate, and Complete Specification
- Element 41 – Cost or Price Analysis
- Element 42 – Written Record of Procurement History
- Element 45 – Advance Payments
- Element 49 – Liquidated Damages
- Element 56 – Clauses (Includes Veterans Preference Clause, Element # 57 in the previous review)

### **Not Applicable Elements**

The following elements were rated as “not applicable” because PRTC/VRE did not award the types of contracts/purchase orders that included these elements, or these items were out of the scope of this review because they were not deficient in the August 2016 PSR. A full description of these elements is contained in Appendix D.

- Element 8 – A&E Geographic Preference (Not in the Scope of this Review)
- Element 9 – Unreasonable Qualification Requirements (Not in the Scope of this Review)
- Element 10 – Unnecessary Experience and Excessive Bonding (Not in the Scope of this Review)
- Element 11 – Organizational Conflict of Interest (Not in the Scope of this Review)
- Element 12 – Arbitrary Action (Not in the Scope of this Review)
- Element 13 – Brand Name Restrictions (Not in the Scope of this Review)
- Element 14 – Geographic Preferences (Not in the Scope of this Review)
- Element 15 – Contract Term Limitation (Not in the Scope of this Review)
- Element 16 – Written Procurement Selection Procedures (Not in the Scope of this Review)
- Element 17 – Solicitation Prequalification Criteria (Not in the Scope of this Review)
- Element 20 – No Splitting (Micro-Purchase) (Not in the Scope of this Review)
- Element 21 - Fair and Reasonable Price Determination [Micro-purchase] (Not in the Scope of this Review)
- Element 22 – Micro Purchase Davis- Bacon (Not in the Scope of this Review)
- Element 25 – Adequate Competition – Two or More Competitors (Not in the Scope of this Review)
- Element 26 – Firm Fixed Price (Sealed Bid) (Not in the Scope of this Review)

- Element 27 – Selection on Price (Sealed Bid) (Not in the Scope of this Review)
- Element 28 – Discussions Unnecessary (Sealed Bid) (Not in the Scope of this Review)
- Element 29 – Advertised/Publicized (Sealed Bid) (RFP) (Not in the Scope of this Review)
- Element 30 – Adequate Number of Sources Solicited (Sealed Bid) (RFP) (Not in the Scope of this Review)
- Element 31 – Sufficient Bid Time (Sealed Bid) (Not in the Scope of this Review)
- Element 32 – Bid Opening (Sealed Bid) (Not in the Scope of this Review)
- Element 33 – Responsiveness (Sealed Bid) (Not in the Scope of this Review)
- Element 34 – Lowest Price (Sealed Bid) (Not in the Scope of this Review)
- Element 35 – Rejecting Bids (Sealed Bid) (Not in the Scope of this Review)
- Element 36 – Evaluation (RFP) (Not in the Scope of this Review)
- Element 37 – Price and Other Factors (RFP) (Not in the Scope of this Review)
- Element 38 – Sole Source if Other Award is Infeasible (Not in the Scope of this Review)
- Element 39 – Cost Analysis Required [Sole Source] (Not in the Scope of this Review)
- Element 40 – Evaluation of Options (Not in the Scope of this Review)
- Element 43 - Exercise of Options (Not in the Scope of this Review)
- Element 44 - Out of Scope Changes (Not in the Scope of this Review)
- Element 46 – Progress Payments (Not in the Scope of this Review)
- Element 47 – Time and Materials Contracts (Not in the Scope of this Review)
- Element 48 – Cost Plus Percentage of Cost (Not in the Scope of this Review)
- Element 50 – Piggybacking (Not in the Scope of this Review)
- Element 51 – Qualification Exclude Price (A&E and Other Services) (Not in the Scope of this Review)
- Element 52 – Serial Price Negotiation (A&E and Other Services) (Not in the Scope of this Review)
- Element 53 – Bid Security (Construction Over \$100,000) (Not in the Scope of this Review)
- Element 54 – Performance Security (Construction Over \$100,000) (Not in the Scope of this Review)
- Element 55 – Payment Security (Construction Over \$100,000) (Not in the Scope of this Review)
- Element 57 - Vehicle Pre-Award Review
- Element 58 - Vehicle Post-Delivery Review
- Element 59 - Change Orders (Not in the Scope of this Review)
- Element 60 - Subrecipient Oversight (Not in the Scope of this Review)
- Element 61 - Revenue Contracts (Not in the Scope of this Review)

Element 62 - Single Bid (Not in the Scope of this Review)

Element 63 - Certifications (TVM, Lobbying, Buy America (Not in the Scope of this Review)

Element 64 - Bus Testing (Not in the Scope of this Review)

## Deficient

The recipient is deficient with respect to the following individual procurement elements summarized below:

Element 18 – Award to Responsible Contractors

Element 19 – Sound and Complete Agreement

---

### Element (18) Award to Responsible Contractors (Code 344) Repeat Finding from the August 2016 PSR.

*In addition to the Common Grant Rules that require contract awards be made only to responsible contractors, Federal transit law at 49 U.S.C. Section 5325(j) limits third party contractor awards to those contractors capable of successfully performing under the terms and conditions of the proposed contract. Before selecting a contractor for award, the recipient must consider such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. Moreover, SAFETEA-LU now requires a recipient entering into a fixed guideway project contract to consider the contractor's past performance, including information reported in FTA's required Contractor Performance Assessment Reports, 49 U.S.C. Section 5325(j)(2)(C).*

(FTA C4220.1F, IV, 2.a.1.)

## Discussion

The recipient is deficient with respect to this element.

Review of the following files disclosed deficiencies with respect to this element.

ID Number	Contractor	Item Description	\$ Amount
PRTC 17-04	Redmon Group	Website Development	\$86,779

PRTC retained the firm Redmon Group, Inc. (Redmon) on July 27, 2017 to provide website development, programming, hosting, and technical support. Redmon was selected based on a competitive RFP among five (5) proposers. PRTC did not conduct a contractor responsibility review or make a determination of contractor responsibility prior to award of the original contract. A debarment check on SAM.gov was conducted on August 21, 2019 as part of the original award process for the award of the first task order.

### **Initial Action and Implementation Schedule:**

For any contracts where the recipient was found to have failed to verify that the contractor was responsible, the recipient must verify the responsibility of contractors. The recipient must provide the FTA regional office documentation of an implemented process to make adequate responsibility determinations prior to award of a contract. For the next procurement, submit to the FTA regional office documentation that the required process was implemented. Note: During the August 2016 PSR the VRE was deficient in this area. The determination of responsibility in their contracts during this PSR were very well done. Recommend that the PRTC use the VRE's process for documenting contractor responsibility.

### **Recipient Response:**

PRTC does not disagree with the assessment of this element and has developed the attached responsibility Determination Checklist (Appendix F – Exhibit 1) and added the Responsibility Determination Checklist as an item on the procurement Checklist (Appendix F – Exhibit 2). PRTC is in the midst of an active procurement with proposals being due on November 25 and will use the Responsibility Determination Checklist as part of the evaluation of potential vendors. (Estimated Completion Date (ECD) December 31, 2019)

### **Reviewer Comments and Final Corrective Action Plan**

BMRA has reviewed the PRTC's comments and documentation provided to improve their procurement policies and considers their comments responsive. We recommend that Region 3 close this finding once PRTC submits documentation substantiating that they made the referenced changes to the PRTC Procurement Policy and trained personnel on these changes.

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### **Element (19) Sound and Complete Agreement (Code 712) Repeat Finding from the August 2016 PSR.**

*Adequate Third-Party Contract Provisions. The Common Grant Rules require that all third-party contracts include provisions adequate to form a sound and complete agreement. Compliance with Federal laws and regulations will necessarily result in the addition of many other provisions to ensure compliance with those laws and regulations.*

(FTA C4220.1F, III, 3.a.(1) b.)

## Discussion

The recipient is deficient with respect to this element

ID Number	Contractor	Item Description	\$ Amount
PRTC 17-04	Redmon Group	Website Development	\$86,779
VRE 017-016	RPI Group, Inc	Installation & Integration of Security Cameras	NTE \$1,000,000

The underlying agreement with the Redmon Group included hourly rates for on-going task order work did not identify the method of compensation to be utilized for the task orders (i.e., fixed price, T&M, cost reimbursable contracts). The proposal issued by Redmon for the first task order of \$64,199, and accepted by PRTC, did not include any breakdown of the \$64,199 fee, and included four payment milestones of 25% each for completion of various portions of the work, including an initial 25% milestone for “project start”. PRTC indicates that this project start milestone included domain name change, software licenses and schedule development.

VRE awarded a task order agreement to the firm RPI Group, Inc. (RPI) on October 3, 2017. The base contract is a NTE \$1,000,000. Under the agreement RPI will be assigned task orders over a potential six (6) year period (one base year plus five (5) one-year option periods) to accomplish installation and integration of the camera/access control system throughout the VRE operating territory. The underlying agreement identified that the various task orders would be awarded to a single successful proposer but did not identify the method of compensation to be utilized for the task orders (i.e., fixed price, T&M, cost reimbursable contracts). Task order proposals submitted by RPI in response to requests for such proposals identified the hours and labor costs, along with estimated amounts for ODC’s, and fee. The proposals submitted by RPI, and accepted by VRE, are classified as time and material arrangements. The use of T&M is not defined in the main agreement and VRE has not justified the use of T&M contracting as part of the Task order file documentation.

### Initial Action and Implementation Schedule:

The recipient should develop a matrix/checklist that can be used as a reference document that identifies the applicable Federal requirements for IDIQ contracts, i.e. process for awarding task orders and the task order type (e.g., fixed price, cost plus). This matrix/checklist should be distributed to all personnel involved in the procurement process to identify Federally required requirements when using FTA funds.

The recipient should submit a corrective action plan and schedule for this item within 30 days of receipt of the draft final report. The plan should include steps to be taken in future procurements that will prevent this type of deficiency.

### Recipient Response:

PRTC/VRE do not disagree with the assessment of this element and have developed the attached checklist (Appendix F - Exhibit 3) to be utilized by all staff within PRTC’s/VRE’s Procurement

Department when preparing a solicitation that will result in the award of a single Indefinite Quantity Contract.

VRE anticipates advertising an RFP on -call Safety Consulting Services in the first quarter of calendar year 2020, which will result in services being furnished through the issuance of Task Orders. The attached checklist will be utilized to prepare this solicitation as a means of ensuring that all applicable Federal requirements for IDIQ contracts are incorporated within the RFP. (ECD: Closed)

### **Reviewer Comments and Final Corrective Action Plan**

BMRA has reviewed the PRTC's comments and documentation provided to improve their procurement policies and considers their comments responsive. We recommend that Region 3 close this finding once PRTC submits documentation substantiating that they made the referenced changes to the PRTC Procurement Policy and trained personnel on these changes.

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### **OTHER MATTERS:**

#### **OTHER MATTERS:**

1. Award to Responsible Contractors. The PRTC was a participant in a joint bus procurement. The Roaring Fork Transportation Authority was the lead agency. The determination of responsibility was not in the file. The review team recommended that PRTC obtain a copy of the determination of responsibility from the Roaring Fork Transportation Authority.
2. Time and Materials. (Observation outside the Scope of the current review) VRE awarded a contract to RPI Group, Inc. for the Installation and Integration of Security Cameras and Access Control Systems. The underlying agreement identified that the various task orders would be awarded to a single successful proposer but did not identify the method of compensation to be utilized for the task orders (i.e., fixed price, T&M, cost reimbursable contracts). Task order proposals submitted by RPI in response to requests for such proposals identified the hours and labor costs, along with estimated amounts for ODC's, and fee. The proposals submitted by RPI, and accepted by VRE, are classified as time and material arrangements. The use of T&M is not defined in the main agreement and VRE has not justified the use of T&M contracting as part of the Task order file documentation. Additionally, by allowing the contractor to add a fee to the ODCs constitutes a Cost Plus a Percent of Cost arrangement which is illegal under Federal statute.
3. Liquidated Damages (LDs). (Minor Deficiency) VRE was deficient in this area during the FY 16 PSR. VRE has not awarded any construction contracts since the last review therefore this item was not reviewed. VRE has changed its process for calculating LDs specific to each contract. VRE provided a copy of the procedure to the reviewers. The PRTC was a participant in a joint bus procurement. The Roaring Fork Transportation Authority was the lead agency. The contract had a liquidated damages clause for a \$100

day for delays. The PRTC file did not have the calculation for the LDs. The review team recommended that PRTC obtain a copy of the LDs from the Roaring Fork Transportation Authority or delete the requirement for LDs if not used.

4. Vehicle Pre-Award Review. The FY 19 PSR Guide added this element 57. The Roaring Fork Transportation Authority joint bus procurement was reviewed. The vehicle pre-award review documentation was on file.
5. Vehicle Post-Delivery Review. The FY 19 PSR Guide added this element 58. The Roaring Fork Transportation Authority joint bus procurement was reviewed. The vehicle post-delivery review documentation was on file.
6. Change Orders. The FY 19 PSR Guide added this element 59.
7. Sub-recipient Oversight. The FY 19 PSR Guide added this element 60. The PRTC/VRE do not have any sub-recipients.
8. Revenue Contracts. The FY 19 PSR Guide added this element 61. Not in the scope of this review.
9. Single bid. The FY 19 PSR Guide added this element 62. One of the VRE contracts reviewed had a single bid. VRE properly documented the process for awarding a single bid.
10. Certifications (TVM, Lobbying, Buy America). The FY 19 PSR Guide added this element 63. The Roaring Fork Transportation Authority joint bus procurement was reviewed. The TVM documentation was on file. The contracts reviewed contained the required certifications (Lobbying, Buy America, etc.)
11. Bus Testing. The FY 19 PSR Guide added this element 64. The Roaring Fork Transportation Authority joint bus procurement was reviewed. The Bus Testing documentation was on file.
12. The VRE's responsibility determinations were some of the best the team has seen. The files were very neat and well organized.
13. The team would like to thank the PRTC/VRE staffs for their participation and support during this review. Specifically, Ms. Betsy Massie's, Ms. Cynthia Porter-Johnson's, and Kristin Nutter's support were superb.

## Appendix A:

### List of Individuals Participating in the Review

#### FTA Headquarters

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#### FTA Region 3

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#### Potomac & Rappahannock Transportation Commission & Virginia Railway Express

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**BMRA Reviewers**

<b>Name/Title</b>	<b>Phone Number</b>	<b>Email Address</b>
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## APPENDIX B

### REPORT SUMMARY TABLE

REPORT SUMMARY TABLE							
No.	Element	Basic Requirement	ND	D	NA	Tot	Corrective Action
1)	Written Standards of Conduct	FTA C4220.1F, III, 1. a., b., c.	0	0	1	1	
2)	Contract Administration System	FTA C4220.1F, III, 3.	0	0	1	1	
3)	Written Protest Procedures	FTA C4220.1F, VII, 1.a.b.	0	0	1	1	
4)	Prequalification System	FTA 4220.1F, 1.c.	0	0	1	1	
5)	Procedures for Ensuring Most Efficient and Economic Purchase	FTA C4220.1F, IV, 1.	0	0	1	1	
6)	Procurement Policies and Procedures	FTA C4220.1F, III, 3.a.	0	0	1	1	
7)	Independent Cost Estimate	FTA C4220.1F, VI, 6.	10	0	12	22	
8)	A&E Geographic Preference	FTA C4220.1F, VI, 2.a.(4)(g)(1)	0	0	10	10	
9)	Unreasonable Qualification Requirements	FTA C4220.1F, VI, 2.a.(4)	0	0	22	22	
10)	Unnecessary Experience and Excessive Bonding	FTA C4220.1F, VI, 2.(4)); FTA C4220.1F, VI, 2.a.(4)(c))	0	0	10	10	
11)	Organizational Conflict of Interest	FTA C4220.1F, VI, 2.a.(4)(h) 1., 2.	0	0	10	10	
12)	Arbitrary Action	FTA C4220.1F, VI, 2.a.(4)(j)	0	0	22	22	
13)	Brand Name Restrictions	FTA C 4220.1F., VI, 4.	0	0	22	22	
14)	Geographic Preferences	FTA C 4220.1F, VI, 2.(4)(g)	0	0	22	22	
15)	Contract Term Limitation	FTA C4220.1F, IV, 2.e.(10)	0	0	22	22	
16)	Written Procurement Selection Procedures	FTA C4220.1F, III, 3.a.; FTA C4220.1F, VI, 2.d.	0	0	10	10	
17)	Solicitation Prequalification Criteria	FTA C4220.1F, VI, 1.c.	0	0	10	10	
18)	Award to Responsible Contractors	FTA C4220.1F, IV, 2.a.1.	8	2	0	10	PRTC developed a Contractor Responsibility checklist and added this step to the Procurement Checklist.
19)	Sound and Complete Agreement	FTA C4220.1F, III, 3.a.(1)b.	8	2	0	10	PRTC developed an IDIQ Contractor Responsibility

							checklist to help clarify IDIQ requirements and rates.
20)	No Splitting (Micro-purchase)	FTA C4220.1F, VI, 3.a.(2)	0	0	0	0	
21)	Fair and Reasonable Price Determination (Micro-purchase)	FTA C4220.1F, VI, 3.a.	0	0	0	0	
22)	Micro-purchase Davis-Bacon	FTA C4220.1F, VI, 3.a.(1)	0	0	0	0	
23)	Price Quotations (Small Purchase)	FTA C4220.1F, VI, 3.b.(2)	12	0	0	12	
24)	Clear, Accurate, and Complete Specification	FTA 4220.1F, VI, 2.a.	22	0	0	22	
25)	Adequate Competition – Two or More Competitors	FTA C4220.1F, VI, 3.c.(1)(b); FTA C4220.1F, VI, 3.d.(2)(c)	0	0	10	10	
26)	Firm Fixed Price (Sealed Bid)	FTA C4220.1F, VI, 3.c.(1)(c)	0	0	4	4	
27)	Selection on Price (Sealed Bid)	FTA C4220.1F, VI, 3.c.(d)	0	0	4	4	
28)	Discussions Unnecessary (Sealed Bid)	FTA C4220.1F, VI, 3.c.(1)(e)	0	0	4	4	
29)	Advertised/Publicized (Sealed Bid) (RFP)	FTA C4220.1F, VI, 3, c.(2)(a); FTA C4220.1F, VI, 3.d.(2)(a)	0	0	4	4	
30)	Adequate Number of Sources Solicited (Sealed Bid) (RFP)	FTA C4220.1F, VI, 3.c.(1)(b); FTA C4220.1F, VI, 3.d.(2)(c)	0	0	4	4	
31)	Sufficient Bid Time (Sealed Bid)	FTA C4220.1F, VI, 3.c.(2)(d)	0	0	4	4	
32)	Bid Opening (Sealed Bid)	FTA C4220.1F, VI, 3.c.(2)(e)	0	0	4	4	
33)	Responsiveness (Sealed Bid)	FTA C4220.1F, VI, 3.c.(2)(f)	0	0	4	4	
34)	Lowest Price (Sealed Bid)	FTA C4220.1F, VI, 3.c.(2)(f)	0	0	4	4	
35)	Rejecting Bids (Sealed Bid)	FTA C4220.1F, VI, 3.(a)(2)(g)	0	0	4	4	
36)	Evaluation (RFP)	FTA C4220.1F, VI, 3.d.(2)(b); FTA C4220.1F, VI, 3.d.(2)(d)	0	0	5	5	
37)	Price and Other Factors (RFP)	FTA C4220.1F, VI, 3.d.(2)(e)	0	0	5	5	
38)	Sole Source if Other Award is Infeasible	FTA C4220.1F, VI, 3.i.	0	0	1	1	
39)	Cost Analysis Required (Sole Source)	FTA C4220.1F, VI, 6.a.	0	0	1	1	

40)	Evaluation of Options	FTA C4220.1F, VI, 7.b.(1)	0	0	10	10	
41)	Cost or Price Analysis	FTA C4220. 1F, VI, 6.	10	0	12	22	
42)	Written Record of Procurement History	FTA C 4220.1F, III, 3.d.	22	0	0	22	
43)	Exercise of Options	FTA C4220.1F, IV, 1.d.; FTA C4220.1F, V, 7.a.(1)	0	0	10	10	
44)	Out of Scope Changes	FTA C4220.1F, VI, 3.i.(1)(b)	0	0	10	10	
45)	Advance Payments	FTA C4220.1F, IV, 2.b.(5)(b).1.2.; FTA C4220.1F, III, 3.d.(1)(c)(d)	22	0	0	22	
46)	Progress Payments	FTA C4220.1F, IV, 2.b.(5)(c)	0	0	10	8	
47)	Time and Materials Contracts	FTA C4220.1F, VI, 2.c.(2)(b)	0	0	10	10	
48)	Cost Plus Percentage of Cost	FTA C4220.1F, VI, 2.c.(2)(a)	0	0	10	10	
49)	Liquidated Damages Provisions	FTA C 4220.1F, IV, 2.b.(6)(b)1	0	0	10	10	
50)	Piggybacking	FTA C4220.1F, V, 7.a.(2)	0	0	10	10	
51)	Qualifications Exclude Price (A&E and Other Services)	FTA C4220.1F, VI, 3.f.(1)	0	0	10	10	
52)	Serial Price Negotiations (A&E and Other Services)	FTA C4220.1F, VI, 3.f.(3)	0	0	10	10	
53)	Bid Security (Construction over \$100,000)	FTA C4220.1F, IV, 2.h.(1)(a)	0	0	10	10	
54)	Performance Security (Construction over \$100,000)	FTA C4220.1F, IV, 2.h.(1)b.	0	0	10	10	
55)	Payment Security (Construction over \$100,000)	FTA C4220.1F, IV, 2.h.(1)(c)	0	0	10	10	
56)	Clauses	FTA C4220.1F, VI, 2.	10	0	0	10	
57)	Veteran Hiring Preference	FTA C4220.1F, VI, 2.c.(1)	0	0	10	10	

## APPENDIX C

### Procurement Elements for which the Recipient is Not Deficient

**SYSTEMWIDE ELEMENTS:** PRTC/VRE were not deficient in any of the Systemwide Elements during the August 2016 PSR.

**(Not in the scope of this review) (See Appendix D)**

### INDIVIDUAL PROCUREMENT ELEMENTS

#### 07) Independent Cost Estimate

*The independent cost estimate (ICE) is a tool to assist in determining the reasonableness of the bid or proposal being evaluated; that is, to assist in performing the cost or price analysis. An ICE is the starting point for conducting a cost or price analysis. It is required for all procurement's actions exceeding the simplified acquisition threshold. An ICE is completed prior to receipt of bids or proposals. An ICE is required for procurement actions such as contract modifications and change orders. It can range from a simple budgetary estimate to a complex estimate based on inspection of the product itself and review of items like drawings, specifications, and prior data. The word "independent" does not imply that it is performed by someone other than the recipient. This could be the case, however, if the recipient does not have the expertise for a large complex procurement.*

*(2 CFR § 200.323)*

#### 23) Price Quotations (Small Purchase)

*When using small purchase procedures, the recipient must obtain price or rate quotations from an adequate number of qualified sources.*

*(FTA C4220.1F, VI, 3.b.(2))*

#### 24) Clear, Accurate, and Complete Specification

*A complete, adequate, and realistic specification or purchase description should be available and included in any specifications and pertinent attachments which define the items or services sought in order for the bidder to properly respond.*

*C4220.1F.III.3.a.)*

*(FTA*

#### **41) Cost or Price Analysis**

*Recipients must perform cost or price analyses in connection with every procurement action exceeding the applicable Simplified Acquisition Threshold after receiving bids, but before awarding a contract. Note that effective June 20, 2018, the Simplified Acquisition Threshold increased from \$150,000 to \$250,000. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation.*

*(2 CFR § 200.323) (FTA Circular 4220.1F Chapter VI 6. a. Cost Analysis) (FTA Circular 4220.1F Chapter VI 6. b. Price Analysis)*

#### **42) Written Record of Procurement History**

*Recipients must maintain records sufficient to detail the significant history of a procurement. At a minimum, such records must include:*

- Rationale for the method of procurement (i.e., request for proposals, invitation for bids, sole source)*

- Selection of contract type (i.e., fixed price, cost reimbursement)*
- Reason for contractor selection or rejection*
- Basis for the contract price (i.e., cost/price analysis)*

*(2 CFR 200.318(i))*

#### **45) Advance Payments**

*FTA does not authorize and will not participate in funding advance payments to a contractor without prior, written approval from the FTA regional office administering the project. A recipient may use its local funds for advance payments. However, advance payments made with local funds before federal funds have been awarded or before the issuance of a letter of no prejudice or other pre-award authority are ineligible for reimbursement.*

*(FTA C. 5010.1E, page IV-15) (FTA C. 4220.1F, Ch. IV, Sections 2. b. (5)(b) Advance Payments)*

#### **49) Liquidated Damages Provisions**

*A grantee may use liquidated damages if it may reasonably expect to suffer damages and the extent or amount of such damages would be difficult or impossible to determine. The assessment for damages shall be at a specific rate per day for each day of overrun in contract time; and the rate must be specified in the third-party contract. Any liquidated damages recovered shall be credited to the project account involved unless the FTA permits otherwise.*

(FTA C4220.1F, VI, 2.b.)

## 56) Clauses

*Recipients are required to include specific required clauses in FTA-funded procurements, intergovernmental agreements (e.g., those involving states and other public entities), and subrecipient agreements. FTA Master Agreement identifies certain clauses that apply to third party contracts. 2 CFR 200.326 and Appendix II to 2 CFR Part 200 identify contract provisions for non-Federal contracts under a Federal award. FTA C. 4220.1F discusses Federal requirements that affect a recipient's acquisitions.*

*Additional guidance is provided through FTA's Third-Party Procurement Frequently Asked Questions website. Through the National Rural Transportation Assistance Program (RTAP), FTA developed ProcurementPRO, an on-line procurement tool that assists recipients in developing procurement packages. Using ProcurementPRO, can assist a recipient in developing a procurement package that includes federally required clauses.*

*Recipients may not modify their own contracts after award to include Federal clauses and so make them eligible for procuring goods and services with Federal funds. Recipients may, however, modify its state's General Services Administration (GSA)-type contracts to add Federal clauses when they issue orders against those state contracts.*

*Not all clauses apply to every contract. The applicability of clauses depends on the size and type of contract as is described in the exhibit at the end of this section. Procurement contracts or purchase orders should be tailored and only the clauses applicable to the specific procurement should be included in the contract document. Including clauses not applicable to the procurement may restrict competition or result in higher contract pricing than necessary. Procurements above the micro-purchase threshold must include all applicable FTA clauses as part of the solicitation, purchase order, or contract. A general reference to FTA guidelines is not sufficient to meet this requirement. A matrix of required clauses is provided at the end of this section. The checklist provides a citation from the FTA Master Agreement for each required clause. Certifications, reports, and forms that are required for DBE, Buy America, debarment and suspension and lobbying are also included as are other required items to assist in determining whether the recipient's policies and procedures are actually being followed. The applicability of FTA clauses to different types of procurements is shown in the exhibit. Note that the construction of ferry vessels using Federal funds is considered a public works project and therefore, the clauses related to construction contracts are applicable*

*(2 C.F.R. 200.325); (Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards); and (FTA Master Agreement (25), section 16.e)*

## **Appendix D:**

### **Procurement Elements Determined to be Not Applicable (Not in the Scope of this Review)**

#### **SYSTEMWIDE ELEMENTS:**

##### **01) Written Standards of Conduct**

*“(1) The Non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.*

*(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means, that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.”*

*(2 CFR-200.318 (c)(1) & (2)) (FTA-C4220.1F, III, 1.*

##### **02) Contract Administration System**

*Recipients are required to have mechanisms in place to ensure that contractors perform in accordance with the terms, conditions, and specifications contained in their contracts or purchase orders. 2 CFR Part 200 assigns responsibility to the recipient for resolving all contractual and administrative issues arising out of their third-party procurements, including protests of awards, disputes, and claims using good administrative practices and sound business judgment. Neither FTA nor 2 CFR part 200 relieves the recipient of*



*any responsibility under its contracts to resolve disagreements that may arise in the course of contract formation or contract administration.*

*“Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.”*

*(2 CFR 200.318(b))*

### **03) Written Protest Procedures**

*Grantees shall have written protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding protests to FTA. All protest decisions must be in writing. A protester must exhaust all administrative remedies with the grantee before pursuing a protest with FTA.*

*Review of protest by FTA will be limited to:*

- (1) A grantee’s failure to have or follow its protest procedures, or its failure to review a complaint or protest; or*
- (2) Violations of Federal law or regulations*

*An appeal to FTA must be received by the cognizant FTA regional or Headquarters Office within five (5) working days of the date the protestor learned or should have learned of an adverse decision by the grantee or other basis of appeal to FTA.*

*(FTA C4220.1F, VII, 1.)*

*Recipients must have written procedures that allow bidders or proposers to protest a procurement action. Notice of protest procedures must be available to all potential bidders or proposers, either by inclusion in the solicitation documents or available to the public. Protest procedures should allow for the filing of protests prior to receipt of bids or proposals, after receipt of bids or proposals, and prior to award of a contract.*

*FTA recipients are responsible for resolving all contractual and administrative issues arising out of their third-party procurements, including source evaluation and selection, protests of awards, disputes, and claims using good administrative practices and sound business judgment.*

*“Section 200.318(k) provides that a recipient “alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the [recipient] of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the [recipient] unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.”*

(2 CFR §200.318(k))

*Bid Protests. The Recipient agrees to provide FTA, as part of the annual or quarterly Milestone Progress Report, with a list of all bid protests and appeals for solicitations or contracts in excess of \$500,000. The Recipient also should be mindful of the requirement in Section 39, Disputes, that the Recipient must promptly notify the FTA Chief Counsel, or FTA Regional Counsel for the Region in which the Recipient is located, of significant current or prospective legal matters that may affect the Federal Government.*

(FTA Master Agreement (24), Section 16.w)

#### **Guidance note regarding notifying FTA of Protests and Appeals to FTA**

*FTA's involvement in bid protests is limited. The Uniform Guidance, as adopted by DOT, no longer includes the language in 49 C.F.R. §18.36(b)(12) that provided for a direct appeal to FTA of a recipient's final decision on a bid protest. The Uniform Guidance provides that:*

*"The Non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction." – 2 C.F.R. § 200.318(k)*

*Thus, the FTA's role is limited to considering matters that are "primarily a Federal concern." Accordingly, Section (1)(b)(2)(a) of Chapter VII of FTA Circular 4220.1F, which provides for direct appeals to FTA, is no longer applicable.*

#### **04) Prequalification Lists**

*"The Non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period."*

*Except for small and micro purchases, proposals and/or bids must be publicly solicited from an adequate number of sources. Recipients are prohibited from restricting competition in federally supported procurement transactions. Recipients are not required to prequalify potential bidders. However, recipients that place such a requirement on potential bidders must adhere to FTA's requirements. If a recipient requires prospective bidders to prequalify, it must ensure that all lists of prequalified persons, firms, or products that are used in acquiring goods and services are current and include enough sources to ensure full and open competition. Recipients must permit potential bidders or offerors to qualify during the solicitation period (from the issuance of the solicitation to its closing*

*date). Prequalification should not be confused with reviews of technical qualifications that are an essential process in two-step and qualifications-based procurements.*

*(2 CFR 200.319 (d))*

(Note: Recipients are not required, or encouraged, to have a prequalification system. Prequalification systems are difficult and costly to maintain in a way that does not inhibit competition. The intent of this element is to ensure that, if a recipient maintains a prequalification list for one or more products or services, or a qualified manufacturers list, such lists are current and provide full and open competition.)

## **05) Procedures for Ensuring Most Efficient and Economic Purchase**

*2 C.F.R. 200 requires that recipients have procedures in place to avoid purchasing unnecessary or duplicative items and they should consider consolidating or breaking out procurements to obtain a more economical purchase.*

*Recipients who invest the time and resources to develop checks and balances in their procurement program, along with development of short- and long-range procurement plans, can avoid last minute, emergency, or unnecessary procurements, which are contrary to open, efficient, and effective procurements.*

*FTA recipients vary in size and organization, therefore the system that each develops and implements to avoid unnecessary or duplicative purchases should be tailored to their agency. Whether the procurement functions are centralized, decentralized, or a combination of both, it is essential that no employee undertakes any procurement function without delegated authority and guidelines. It is easier for an entity to effectively manage its procurement responsibilities if most of the decisions and contractual actions are concentrated in one or more experienced individuals who are familiar with the requirements that span the entire procurement cycle. Because initial identification of need is often initiated by a recipient's internal customers (i.e., program or technical personnel for whom goods or services are being procured), the procurement office should be in a position to facilitate the consolidation of procurements of different internal customers with the same need.*

*(2 CFR 200.318(d))*

*Grantee procedures shall provide for a review of proposed procurement to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives and any other appropriate analysis to determine the most economical approach.*

*(FTA C4220.1F, IV, 1.)*

## **06) Procurement Policies and Procedures**

*All recipients must have written procurement policies and procedures. Policies and procedures must explain how the recipient will ensure compliance with the standards and requirements identified in 2 CFR 200.318 (General Procurement Standards) through 200.326 (Contract Provisions)*

*(FTA C 4220.1F, III, 3.a.)*

## **INDIVIDUAL PROCUREMENT ELEMENTS**

### **08) A&E Geographic Preference**

*Architectural Engineering (A&E) Services. Geographic location may be a selection criterion if an appropriate number of qualified firms are eligible to compete for the contract in view of the nature and size of the project.*

*(FTA C4220.1F, VI, 2.a.(4)(g)(1))*

### **09) Unreasonable Qualification Requirements**

*Recipients are prohibited from developing solicitation requirements that contain features that unduly restrict competition. FTA recipients are also prohibited by 49 U.S.C. Section 5325(h) from using FTA assistance to support an exclusionary or discriminatory specification. Some situations considered to be restrictive of competition include, imposing unreasonable business requirements for bidders or offerors.*

*(FTA C4220.1F, VI, 2.a.(4))*

### **10) Unnecessary Experience and Excessive Bonding**

*The Common Grant Rules prohibit solicitation requirements that contain feature that unduly restrict competition. Example of situation restrictive of competition:*

- (1) Imposing unnecessary experience requirements for bidders and offerors.*
- (2) To encourage greater contractor participation in FTA assisted projects, FTA does not require the recipient to impose bonding requirements on its third-party contractors other than construction bonding specified by the Uniform Guidance regulations and this circular for construction. FTA discourages unnecessary bonding because it increases the cost of the contract and restricts competition, particularly by disadvantaged business enterprises.*

*(FTA C4220.1F, VI, 2.a.(4))*

### **11) Organizational Conflict of Interest**

*An organizational conflict of interest occurs when any of the following circumstances arise:*

- a. Lack of Impartiality or Impaired Objectivity. When the contractor is unable, or potentially unable, to provide impartial and objective assistance or advice to the recipient due to other activities, relationships, contracts, or circumstances.
- b. Unequal Access to Information. The contractor has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract.
- c. Biased Ground Rules. During the conduct of an earlier procurement, the contractor has established the ground rules for a future procurement by developing specifications, evaluation factors or similar documents.

FTA expects the recipient to analyze each planned acquisition in order to identify and evaluate potential organizational conflicts of interest as early in the acquisition process as possible, and avoid, neutralize, or mitigate potential conflicts before contract award.

(FTA, C4220.1F, VI, 2.a.)

## 12) Arbitrary Action

Recipients are prohibited from taking any arbitrary action when awarding contracts. Arbitrary actions include lack of adhering to the requirements contained in the procurement solicitation when awarding contracts. An arbitrary action can also be found when there is lack of documentation for awarding a contract to other than the low responsive and responsible bidder or the most qualified proposal when price and other factors are considered.

(2 CFR 200.319 (a))

## 13) Brand Name Restrictions

Procurement documents must incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of the procurement. The specific features of the named brand which must be met by offerors must be clearly stated.

(2 CFR 200.319 (c)(1))

## 14) Geographic Preferences

*Grantees shall conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal Statutes expressly mandate or encourage geographic preference. Specifically, an FTA recipient is prohibited ...from limiting their bus purchases to in-State dealers.*

*(FTA C4220.1F, VI, 2. a. (4) (g))*

## **15) Contract Term Limitation**

*Five-Year Limitation. A recipient may enter into a multi-year contract to buy rolling stock with an option not exceeding five (5) years to buy additional rolling stock or replacement parts, 49 U.S.C. Section 5325(e)(1). The recipient may not exercise that option later than five (5) years after the date of its original contract. FTA interprets this five-year period as covering the recipient's "material requirements" for rolling stock and replacement needs from the first day when the contract becomes effective to its "material requirements" at the end of the fifth year.*

*(FTA C4220.1F, IV, 2.e.(10))*

## **16) Written Procurement Selection Procedures**

*The non-Federal entity must use its own documented procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.*

*(2 CFR 200.318 General procurement standards)*

## **17) Solicitation Prequalification Criteria**

*Grantees shall ensure that all lists of prequalified persons, firms, or products that are used in acquiring goods and services are current and included enough qualified sources to ensure maximum full and open competition. Grantees shall not preclude potential bidders from qualifying during the solicitation period, which is from the issuance of solicitation to its closing date.*

*(FTA C4220.1F, VI, 1.c.)*

## **20) No Splitting (Micro-purchase)**

*The recipient may not divide or reduce the size of its procurement merely to come within the micro-purchase limit.*

*(FTA C4220.1F, VI, 3.a.(2) b.)*

## **21) Fair and Reasonable Price Determination (Micro-Purchase)**

*Micro-purchases may be made without obtaining competitive quotations if the recipient determines that the price to be paid is fair and reasonable. These purchases should be distributed equitably among qualified suppliers in the local area and should not be split to avoid the requirements for competition above the micro-purchase threshold.*

(2 CFR 200.320 (a))

## **22) Micro-Purchase Davis-Bacon**

*Davis-Bacon prevailing wage requirements, however, will apply to construction contracts exceeding \$2,000, even though the recipient uses micro-purchase procurement procedures.*

## **25) Adequate Competition – Two or More Competitors**

*The Recipient, when using small purchase procedures, should obtain price of rate quotations from an adequate number of qualified sources. Adequate competition exists when two or more responsible bidders are willing and able to compete effectively for the business. Upon receiving a single bid or proposal in response to a solicitation, the recipient should determine if competition was adequate. This should include a review of the specifications for undue restrictiveness and might include a survey of potential sources that chose not to submit a bid or proposal.*

(FTA 4220.1F, VI, 2., 3.)

## **26) Firm Fixed Price (Sealed Bid)**

*The procurement generally lends itself to a firm fixed price contract.*

(FTA C4220.1F, VI, 3.c.(1)(c))

## **27) Selection on Price (Sealed Bid)**

*The successful bidder can be selected on the basis of price and those price-related factors listed in the solicitation including, but not limited to, transportation costs, life cycle costs, and discounts expected to be taken.*

(FTA C4220.1F, VI, 3.c.(d))

## **28) Discussions Unnecessary (Sealed Bid)**

*Discussions with one or more bidders after bids have been submitted are expected to be unnecessary as award of the contract will be made based on price and price-related factors alone.*

(FTA C4220.1F, VI, 3.c.(1)(e))

**29) Advertised/Published (Sealed Bid) (RFP)**

*Procurement by Sealed Bids/Invitation for Bid (IFB). If this procurement method is used the invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time to prepare bids prior to the date set for opening the bids.*

(FTA C4220.1F, VI, 3c. (2))

**30) Adequate Number of Sources Solicited**

Adequate Sources. *Two or more responsible bidders are willing and able to compete effectively for the business.*

(FTA C4220.1F, VI, 3.c.(1)(b))

Adequate Sources. *Proposals are solicited from an adequate number of qualified sources.*

(FTA C4220.1F, VI, 3.d.(2)(c))

**31) Sufficient Bid Time (Sealed Bid)**

Sufficient Time. *Bidders are allowed sufficient time to prepare bids before the date of bid opening.*

(FTA C4220.1F, VI, 3.c.(2)(d))

**32) Bid Opening (Sealed Bid)**

*If this procurement methods is used, ...all bids are publicly opened at the time and place prescribed in the invitation for bids.*

(FTA C4220.1F, VI, 3.c.(2)(e))

**33) Responsiveness (Sealed Bid)**

*A firm fixed price contract award will be made in writing to the lowest responsible and responsive bidder. When specified in bidding documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest*

(FTA C4220.1F, VI, 3.c (2)(f))

**34) Lowest Price (Sealed Bid)**

*If this procurement method is used:*



*A firm fixed price contract is usually awarded in writing to the lowest responsive and responsible bidder, but a fixed price incentive contract or inclusion of an economic price adjustment provision can sometimes be appropriate. When specified in the bidding documents, factors such as transportation costs and life cycle costs affect the determination of the lowest bid; payment discounts are used to determine the low bid only when prior experience indicates that such discounts are typically taken.*

(FTA C4220.1F, VI, 3.c.(2)(f))

### **35) Rejecting Bids (Sealed Bid)**

*Any or all bids may be rejected if there is a sound documented business reason.*

(FTA C4220.1F, VI, 3. (a)(2)(g))

### **36) Evaluation**

*The recipient will have a method in place for conducting technical evaluations of the proposals received and for selecting awardees. All evaluation factors will be identified in the procurement documents along with their relative importance; numerical or percentage ratings or weights, however, need not be disclosed.*

(FTA C 4220.1F, VI, 3.d. (2))

### **37) Price and Other Factors (RFP)**

*If the procurement method is used the following requirement apply: An award is made to the responsible offeror whose proposal is most advantageous to the recipient's program with price and other factors considered.*

(FTA C4220.1F, VI, 3.d.(2)(e))

### **38) Sole Source if Other Award is Infeasible**

*Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply: (1) The item is available only from a single source; (2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation; (3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or (4) After solicitation of a number of sources, competition is determined inadequate.*

(2 CFR 200.320 (f))

### **39) Cost Analysis (Sole Source)**

*Recipients must perform cost or price analyses in connection with every procurement action exceeding the applicable Simplified Acquisition Threshold after receiving bids, but*

*before awarding a contract. Note that effective June 20, 2018, the Simplified Acquisition Threshold increased from \$150,000 to \$250,000. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation.*

*(2 CFR § 200.323) (FTA Circular 4220.1F Chapter VI 6. a. Cost Analysis) (FTA Circular 4220.1F Chapter VI 6. b. Price Analysis)*

#### **40) Evaluation of Options**

*Recipients' contracts may include options to ensure the future availability of property or services, so long as the recipient is able to justify those options as needed for its public transportation or project purposes. An option is a unilateral right in a contract by which, for a specified time, a recipient may acquire additional equipment, supplies, or services than originally procured. An option may also extend the term of the contract.*

*Recipients may include options in contracts that reflect reasonably foreseeable needs. If a recipient chooses to use options, the option quantities or periods in the bid must be evaluated in order to determine contract award. If the option quantities on a rolling stock or replacement parts purchase appear to exceed the recipient's reasonably foreseeable needs, the recipient may not assign those options to other recipients.*

*The price associated with exercising the option needs to be defined at the outset, either as a specific price or as a percentage increase of the base price. The evaluation of options should be documented in writing and should be part of the cost or price analysis undertaken by the recipient for the overall procurement. Documentation awarding the contract should indicate that the award is for the base contract as well as identified options.*

*(2 CFR 200.318(d)) (FTA C4220.1F Chapter VI 7. b. (1))*

#### **43) Exercise of Options**

*Recipients' contracts may include options to ensure the future availability of property or services, so long as the recipient is able to justify those options as needed for its public transportation or project purposes. An option is a unilateral right in a contract by which, for a specified time, a recipient may acquire additional equipment, supplies, or services than originally procured. An option may also extend the term of the contract.*

*Recipients may include options in contracts that reflect reasonably foreseeable needs. If a recipient chooses to use options, the option quantities or periods in the bid must be evaluated in order to determine contract award. If the option quantities on a rolling stock or replacement parts purchase appear to exceed the recipient's reasonably foreseeable needs, the recipient may not assign those options to other recipients.*

*The price associated with exercising the option needs to be defined at the outset, either as a specific price or as a percentage increase of the base price. The evaluation of options should be documented in writing and should be part of the cost or price analysis*

*undertaken by the recipient for the overall procurement. Documentation awarding the contract should indicate that the award is for the base contract as well as identified options.*

(2 CFR 200.318(d))

#### **44) Out of Scope Changes**

*When the recipient requires an existing contractor to make a change to its contract that is beyond the scope of that contract, the recipient has made a sole source award that must be justified.*

#### **(FTA C4220.1F, VI, 3.i.(1)(b))46) Progress Payments**

*Grantees may use progress payments provided the following requirements are followed:*

- (1) Progress payments are only made to the contractor for costs incurred in the performance of the contract*
- (2) When progress payments are used, the grantee must obtain adequate security for progress payments. Adequate security may include taking title, letter of credit or equivalent means to protect the grantee's interest in the progress payment*

(FTA C4220.1F, IV, 2.b.)

#### **47) Time and Materials Contracts**

*The Uniform Guidance regulations for government recipients permits the use of time and material contracts only:*

- 1. When to Use. After determining that no other contract type is suitable; and*
- 2. Firm Ceiling Price. If the contract specifies a ceiling price that the contractor may not exceed except at its own risk. FTA strongly encourages non-governmental recipients to use similar procedures.*

(FTA C4220.1F, VI, 2.c.(2)(b))

#### **48) Cost Plus Percentage of Cost**

*The Uniform Guidance regulations expressly prohibit the use of the cost plus a percentage of cost and cost plus a percentage of construction cost methods of contracting.*

(FTA C4220.1F, VI, 2.c.(2)(a))

#### **50) Piggybacking**

*Recipients are encouraged to utilize available state and local intergovernmental agreements for procurement or use of common goods and services. When obtaining goods or services in this manner, recipients must ensure all federal requirements, required clauses and certifications (including Buy America) are properly followed and included, whether in the master intergovernmental contract or in the recipient's purchase document.*

(FTA C4220.1F, V, 7.a.)

#### **51) Qualifications Exclude Price (A&E and Other Services)**

*Qualifications-Based Procurement Procedures Required. The recipient must use qualifications-based procurement procedures not only when contracting for A&E services, but also for other services listed in 49 U.S.C. Section 5325(b)(1) that are directly in support of, directly connected to, directly related to, or lead to construction, alteration, or repair of real property. For example, a contractor performing program management, project design, construction management, or engineering services in which that contractor would select the finished products to be acquired for an FTA assisted construction project must be selected through qualifications-based procurement procedures.*

(FTA C4220.1F, VI, 3.f.(1))

#### **52) Serial Price Negotiations (A&E and Other Services)**

*Qualifications-Based Procurement Procedures. The following procedures apply to qualifications-based procurements:*

- (a) Qualifications. Unlike other two-step procurement procedures in which price is an evaluation factor, an offeror's qualifications are evaluated to determine contract award.*
- (b) Price. Price is excluded as an evaluation factor.*
- (c) Most Qualified. Negotiations are first conducted with only the most qualified offeror.*
- (d) Next Most Qualified. Only after failing to agree on a fair and reasonable price may negotiations be conducted with the next most qualified offeror. Then, if necessary, negotiations with successive offerors in descending order may be conducted until contract award can be made to the offeror whose price the recipient believes is fair and reasonable.*

(FTA C4220.1F, VI, 3.f.(3))

#### **53) Bid Security (Construction Over \$100,000)**

*FTA require bonds for all construction contracts exceeding the simplified acquisition threshold unless FTA determines that other arrangements adequately protect the Federal interest. FTA's bonding policies are as follows:*

- (a) Bid Guarantee. Both FTA and the Uniform Guidance regulations generally require each bidder to provide a bid guarantee equivalent to 5 percent of its bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid to ensure that the bidder will honor its bid upon acceptance.*

*(FTA C4220.1F, IV, 2. h.(1)(a))*

#### **54) Performance Security (Construction Over \$100,000)**

*FTA requires bonds for all construction contracts exceeding the simplified acquisition threshold unless FTA determines that other arrangements adequately protect the Federal interest. FTA's bonding policies are as follows:*

*Performance Bond. Both FTA and the Uniform Guidance regulations generally require the third-party contractor to obtain a performance bond for 100 percent of the contract price. A "performance bond" is obtained to ensure completion of the obligations under the third-party contract.*

*(FTA C4220.1F, IV, 2.h.(1) b.)*

#### **55) Payment Security (Construction Over \$100,000)**

*Bonding. FTA requires bonds for all construction contracts exceeding the simplified acquisition threshold unless FTA determines that other arrangements adequately protect the Federal interest. FTA's bonding policies are as follows:*

*Payment Bond. The third-party contractor should obtain a standard payment bond for 100 percent of the contract price. A "payment bond" is obtained to ensure that the contractor will pay all people supplying labor and material for the third-party contract as required by law. FTA, however, has determined that payment bonds in the following amounts are adequate to protect FTA's interest and will accept a local bonding policy that meets the following minimums:*

- a. Less Than \$1 Million. Fifty percent of the contract price if the contract price is not more than \$1 million,*
- b. More Than \$1 Million but Less Than \$5 Million. Forty percent of the contract price if the contract price is more than \$1 million but not more than \$5 million, or*
- c. More Than \$5 Million. Two and one half million dollars if the contract price is more than \$5 million.*

*(FTA C4220.1F, IV, 2.h.)*

## 57) Vehicle Pre-Award Review

*A recipient purchasing revenue service rolling stock with Federal funds must conduct pre-award and postdelivery audits verifying compliance with Buy America provisions, purchaser's requirements, resident inspector requirements, and FMVSS. The recipient is required to keep records, including pre-award and post-delivery certifications, which show that the regulations have been followed. The audits require the recipient to complete two certifications (Buy America and Purchaser's Requirements) at the pre-award stage and three certifications (Buy America, Purchaser's Requirements, and FMVSS) at the post-delivery stage.*

*Although procurements of rolling stock of \$150,000 or less are not subject to Buy America requirements, these contracts still must comply with the pre-award and post-delivery purchaser's requirements and FMVSS audits required by 49 CFR Part 663.*

*Pre-Award Audits and Certifications Recipients may purchase vehicles in several groups over several years using either vehicle procurement contracts with options or multi-year vehicle procurement contracts. FTA requires that each group of vehicles purchased, i.e., each "order" of vehicles, have a pre-award audit before the order is placed. One pre-award audit may suffice, provided that there is no change in vehicle configuration, i.e., no change that is expected to have a significant impact on vehicle handling and stability or structural integrity, between successive deliveries of vehicles.*

*If a recipient is using another recipient's procurement contract for purchasing revenue vehicles (i.e., "piggybacking"), the purchaser may rely on the pre-award audit completed prior to the original contract. However, the recipient must review the audit and prepare its own signed certification.*

*Compliance with purchaser's specifications: The recipient must complete a pre-award purchaser's requirements certification verifying that the manufacturer's bid specifications comply with the recipient's solicitation requirements and that the proposed manufacturer is responsible and capable of building the bus to the solicitation specifications. The pre-award certification may be based on the recipient's determination that the vendor is responsive and responsible. The requirement to conduct an audit for compliance with purchaser's requirements and sign a certification applies to all purchases of revenue rolling stock, even those below the Federal simplified acquisition threshold or Buy America threshold. The pre-award audit is required before a recipient enters into a formal contract with a supplier.*

*Compliance with Buy America: If the procurement is more than \$150,000, at the pre-award stage, the recipient must complete: ☐ A compliance certification verifying that the rolling stock will contain the required minimum percent domestic components, by cost, and that final assembly will take place in the United States; or ☐ An exemption certification indicating that the recipient has a letter from FTA granting a waiver from the Buy America requirement.*

*The recipient or an independent third party must conduct the Buy America audit. The audit may be based on information provided by the manufacturer; however, certification by the manufacturer is not adequate.*

*For rolling stock contracts entered into before October 1, 2015, the domestic content must exceed 60 percent. For rolling stock contracts entered into on or after October 1, 2015, the applicable domestic content percentage under 49 U.S.C. § 5323(j)(2)(C) will be based on the scheduled delivery date of the first production vehicle (i.e., the first vehicle intended to carry passengers in revenue service), final acceptance notwithstanding. Thus, if a recipient or group of recipients as part of a joint procurement enter into a contract for rolling stock on or after October 1, 2015, then the new FAST Act provisions applicable for the date of delivery of the first production vehicle shall apply. Accordingly, if the first production vehicle is delivered in FY2018 or FY2019, the domestic content must be more than 65 percent, and if the first production vehicle is delivered in FY2020 or beyond, the domestic content must be more than 70 percent. If the scheduled delivery date is delayed such that the domestic content requirement is increased, recipients must comply with FTA's September 1, 2016 policy guidance on the implementation of the phased increase in domestic content.*

*Compliance with FMVSS: The recipient must receive a certification from the vehicle manufacturer at the pre-award stage that the vehicles being procured comply with FMVSS issued by the National Highway Traffic Safety Administration (49 CFR Part 571).*

*49 U.S.C. 5323(j); 49 CFR 663*

## **58) Post Delivery Audits and Certifications**

*Compliance with purchaser's specifications: The recipient must complete a post-delivery purchaser's requirements certification verifying that the buses delivered meet the contract specifications. This must be completed before a bus title is transferred to the recipient or before a bus is placed into revenue service, whichever is first. The post-delivery certification is based on the recipient's visual inspections and road tests and, if required, the resident inspector's monitoring of the final assembly process and final report of manufacturing activities. The requirement to conduct an audit for compliance with purchaser's requirements and sign a certification applies to all purchases of revenue rolling stock, even those below the Federal simplified acquisition threshold or Buy America threshold.*

*Recipients are required to have a resident inspector during final assembly process if they meet the following criteria: ☐ Recipient is purchasing any number of rail vehicles.*

*☐ Recipient is in an urbanized area with a population of more than 200,000 and is purchasing more than 10 buses.*

*☐ Recipient is in an area with a population of 200,000 or less and is purchasing more than 20 buses.*

*FTA does not require in-plant inspectors for unmodified vans manufactured by the automobile companies. FTA requires only a visual inspection and road test after delivery for such procurements.*

*In the case of consolidated procurements on behalf of multiple subrecipients, the in-plant inspection requirement is triggered only if any single subrecipient will receive more than 10 or more than 20 vehicles, depending on area size. One in-plant inspector can meet the requirement for multiple recipients. The inspector may not be an agent or employee of the manufacturer. The inspector must prepare a report providing accurate records of all vehicle construction activities and summarizing how the construction and operational characteristics of the vehicles met (or did not meet) the contract specifications.*

*Compliance with Buy America: Required post-delivery certification includes disclosure by the manufacturer of the final assembly location; a listing of the component and subcomponent parts, the cost (actual or percent of total) of such components and subcomponents and the country of origin; a description of final assembly activities; and the cost of final assembly. Final assembly costs are not to be included when calculating the percent of domestic content of the vehicle.*

*The recipient or an independent third party must conduct the Buy America audits. The audit may be based on information provided by the manufacturer; however, certification by the manufacturer is not adequate.*

*Compliance with FMVSS: The recipient must complete, at the post-delivery stage, a certification that the recipient has received from the vehicle manufacturer at both the pre-award and post-delivery stages a certification that the vehicles comply with the FMVSS issued by the National Highway Traffic Safety Administration (49 CFR Part 571). The requirement to conduct an audit for compliance with FMVSS and sign a certification applies to all purchases of revenue rolling stock, even those below the Federal simplified acquisition threshold or Buy America threshold.*

49 U.S.C. 5323(j); 49 CFR 663

## **59) Change Orders**

*Recipients use their own procurement procedures that reflect applicable state and local laws and regulations, provided that the process ensures competitive procurement and the procedures conform to applicable Federal law, including 2 CFR Part 200, and FTA Circular 4220.1F, "Third Party Contracting Guidance."*

*A change order is an order authorized by the recipient directing the contractor to make changes, pursuant to contract provisions for such changes, with or without the consent of the contractor. Change orders must be approved by authorized recipient officials. Change orders are, in effect, sole source procurements. If project managers can approve change orders with minimal or no oversight, outside of normal procurement channels, potential problems may arise.*



*Competitors sometimes protest the issuance of changes when they believe that a new competitive procurement process should have been used for the changed work. The criterion is whether the change was within the scope of the original competition, i.e., what the competitors should have anticipated to be within the scope of the competition. An important factor to be considered is whether the original solicitation adequately advised offerors of the potential for the type of changes during the course of the contract that in fact occurred, or whether the modification is of a nature which potential offerors would reasonably have anticipated under the changes clause.*

*Recipients must develop an ICE and perform a cost or price analysis in connection with every contract modification or change order over \$150,000. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation.*

*To be eligible for FTA assistance under the recipient's award or cooperative agreement, the cost of the change, modification, change order, or constructive change must be allowable, allocable, within the scope of its award or cooperative agreement, and reasonable for the completion of project scope.*

*FTA Circular 4220.1F Chapter VII 2. a.*

## **60) Subrecipient Oversight**

*When a recipient passes through funding to a subrecipient, competitive procurement requirements may apply to the subrecipient. Typically, this requirement would apply to any subrecipient which performs primary project activities normally performed by the recipient directly. In such circumstances, the procurement process of the subrecipient should meet Federal requirements contained in the FTA Master Agreement, including Buy America, debarment and suspension, and lobbying requirements. Furthermore, a recipient needs to have a mechanism to ensure subrecipient compliance.*

*Some recipients provide written guidelines or standard terms and conditions to subrecipients for direct procurements. Some recipients review subrecipients' direct procurements, particularly for vehicles, equipment, and construction. Such reviews, which generally focus on bid evaluation and selection, may be used to ensure that FTA (and state) requirements are met.*

*Monitoring of compliance with FTA third party contracting requirements will require a review of procurement procedures, either through site visits or a periodic review of written procurement manuals. The recipient is not required to review each subrecipient's procurement to ensure compliance with Federal requirements. The recipient may review selected procurements on a periodic basis in conjunction with a site visit or other general review of compliance with Federal requirements.*

*2 CFR 200.331*

## **61) Revenue Contracts**

*Revenue contracts are those in which the recipient or subrecipient provides access to public transportation assets for the primary purpose of either producing revenue in connection with an activity related to public transportation or creating business opportunities with the use of FTA-assisted property. If there are several potential competitors for a limited opportunity (such as advertising space on the side of a bus), then the recipient should use a competitive process to permit interested parties an equal chance to obtain that limited opportunity. If, however, one party seeks access to a public transportation asset (such as a utility that might seek cable access in a subway system), and the recipient is willing and able to provide contracts or licenses to other parties similarly situated (since there is room for a substantial number of such cables without interfering with transit operations), then competition would not be necessary because the opportunity to obtain contracts or licenses is open to all similar parties. In the case of joint development, FTA will work with the recipient to determine appropriate procedures, as necessary.*

*FTA Circular 4220.1F Chapter 2. b. (4)*

## **62) Single Bid**

*With a single bid, the documentation should include a cost analysis, as well as an explanation as to why a single bid was obtained. Upon receiving a single bid or proposal in response to a solicitation, the recipient should determine if competition was adequate. This should include a review of the specifications for undue restrictiveness and should include a survey of potential sources that chose not to submit a bid or proposal.*

*“Upon receiving a single bid or single proposal in response to a solicitation, the recipient should determine if competition was adequate. This should include a review of the specifications for undue restrictiveness and might include a survey of potential sources that chose not to submit a bid or proposal. a. Adequate Competition. FTA acknowledges competition to be adequate when the reasons for few responses were caused by conditions beyond the recipient’s control. Many unrelated factors beyond the recipient’s control might cause potential sources not to submit a bid or proposal. If the competition can be determined adequate, FTA’s competition requirements will be fulfilled, and the procurement will qualify as a valid competitive award. b. Inadequate Competition. FTA acknowledges competition to be inadequate.”*

*FTA Circular 4220.1F Chapter VI 3. i. (1) (b) 2.*

## **63) Certifications (TVM, Lobbying, Buy America)**

*Transit Vehicle Manufacturer (TVM) Certification: As part of their DBE program, all recipients must require that each TVM, as a condition of being authorized to bid on transit vehicle procurements funded by FTA, certify that it has complied with the requirements of 49 CFR 26.49. Only those TVMs listed on FTA’s certified list or that have submitted a goal methodology to FTA that has been approved or has not been disapproved at the time of solicitation are eligible to bid. The recipient is required to*

*include a provision in its bid specifications requiring the TVM certification as a condition of permission to bid. The certification should reference 49 CFR Part 26 (not Part 23).*

*A list of certified TVMs that have submitted required DBE information to FTA is available at the FTA website: <https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/eligible-tvms-list>. However, this list is not exclusive, and recipients should consult with FTA to verify the status of TVMs not currently on the website. Prior to award, evidence that this website has been checked or evidence of communication with FTA's Office of Civil Rights to validate TVM certification, should be included in applicable procurement files. FTA has instructed TVMs to submit to recipients a copy of their FTA approval letters along with the TVM certifications.*

*The TVM definition is codified at 49 CFR 26.5. Note that producers of vehicles that receive postproduction alterations or retrofitting to be used for public transportation purposes (e.g., so-called cutaway vehicles, vans customized for service to people with disabilities) are also considered to be TVMs. Further, to the extent to which a vehicle remanufacturer is responding to a solicitation for new or remanufactured vehicles with a vehicle to which the remanufacturer has provided post-production alterations or retrofitting, that remanufacturer is considered a TVM. Again, only certified TVMs are eligible to bid on FTA-assisted procurements. Businesses that manufacture, mass-produce, or distribute vehicles solely for personal use and for sale "off the lot" are not considered TVMs.*

*Lobbying Certification: Recipients are required to include a lobbying certification in agreements, contracts, and subcontracts exceeding \$100,000. Signed certifications regarding lobbying must be obtained by the recipient from subrecipients and contractors. Subrecipients retain their contractors' certifications and contractors retain subcontractors' certifications. The recipient is responsible for ensuring that they fulfill the requirements in applicable direct procurements exceeding \$100,000.*

*Buy America Certification: Buy America regulations require that all steel, iron, and manufactured products used in the project are produced in the United States. Solicitations for steel, iron, and manufactured products must contain a Buy America certification, unless the procurement is subject to a general waiver or the small purchase waiver. Buy America requirements also apply to capital leases for rolling stock and related equipment. Buy America requirements applicable to rolling stock procurements are discussed in more detail in Part D, Revenue Rolling Stock Procurements.*

*The small purchase waiver is now included in 49 U.S.C 5323(j)(13) and provides that the term "small purchase" means a purchase of not more than \$150,000. On September 16, 2016, the FTA Chief Counsel issued a Dear Colleague Letter regarding the small purchase waiver. The statutory language is clear that the small purchase waiver applies to purchases of \$150,000 or less, regardless of the size of the project. Therefore, purchases made with FTA financial assistance, including capital, planning, or recipients or subrecipients and to purchases made by third-party contractors on behalf of the recipient or subrecipient. This provision of the FAST Act applies to all purchases made after October 1, 2015. The \$150,000 contract value is based on the total contract*

*amount, including labor and options, and not just the value of the goods purchased. Also, recipients are not permitted to break up procurements in order to stay under the \$150,000 threshold. Finally, if a solicitation may result in bids near \$150,000, recipients should include the Buy America certifications in the solicitation, with a note clarifying that if the bid is more than \$150,000, the bidder must certify per the Buy America requirements, but if the bid is \$150,000 or less, no certification will be necessary.*

*Buy America statute applies to:*

- All purchases of steel, iron, and manufactured products greater than \$150,000, regardless of whether they involve capital, operating, or planning funds,*

- Contractors and subcontractors if the contract or subcontract are more than \$150,000, including labor and options,*

- Purchases made using an intergovernmental agreement and jointly purchased manufactured products, and*

- Purchases of used items.*

*For all procurements more than \$150,000, the recipient shall include in its bid or request for proposal an appropriate notice of the Buy America provision. Such specifications shall require, as a condition of responsiveness, that the bidder or offeror submit with the bid or offer a completed Buy America certificate in accordance with 49 CFR §§ 661.6 or 661.12 of this part, as appropriate. Recipients should include only the applicable Buy America certification. Inclusion of both certifications for both rolling stock and non-rolling stock procurements is discouraged and may result in confusion on the part of the contractor as to the applicable Buy America requirements.*

*Recipients may not obtain signed Buy America certifications after contract award for its own contracts or contracts of other recipients to make the contracts eligible for Federal funding. Recipients may, however, obtain signed Buy America certifications before buying off state GSA-type contracts to make them eligible for Federal funding. The recipient should consider the full GSA-type contract amount, not the amount of its purchase, when determining whether Buy America requirements apply to those purchases.*

*If a bidder or offeror cannot certify compliance with Buy America requirements, the recipient must seek a waiver of the Buy America statute before it may award the contract to the bidder or offeror. Buy America waivers are available on one of the following grounds: applying Buy America requirements would be inconsistent with the public interest; the materials produced in the United States are not produced in a sufficient and reasonably available quantity or are not of a satisfactory quality (i.e., non-availability waiver); or including domestic material will increase the cost of the overall project by more than 25 percent.*

*49 CFR 26.49 (a); FTA Circular 9030.1E Chapter V 11.; APPENDIX II TO PART 200—  
CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER*

*FEDERAL AWARDS. (I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352); 49 CFR 661.6; 49 CFR 661.12*

#### **64) Bus Testing**

*The recipient must have in its possession a copy of the Altoona Bus Testing Report before final acceptance of the first vehicle. Testing applies to buses and modified vans used in transit service, including, but not limited to, new bus and van models using alternative fuels such as methanol, ethanol, compressed natural gas (CNG), hydrogen, and electricity (if stored and/or generated on-board the vehicle).*

*FTA does not require a vehicle manufacturer to test its model before bidding. However, recipients of FTA funds acquiring any bus model must certify that an example of that model will have been tested and the recipient will have received a copy of the resulting test report prepared on the bus model before the final acceptance of the first vehicle. Effective October 31, 2016, the effective date of the revision to 49 CFR part 665, recipients must certify that the bus models submitted to Altoona following the effective date received a passing score before FTA funds can be spent on that vehicle.*

*Bus testing is not required for unmodified mass-produced vans (provided they are only offered to FTA recipients in the 4-year/100,000-mile service life category). Unmodified mass-produced vans are vehicles manufactured as complete, fully assembled vehicles as provided by the original equipment manufacturer (OEM). This category includes vans with raised roofs or wheelchair lifts or ramps that are installed by the OEM or by someone other than the OEM, provided that the installation of these components is completed in strict conformance with the OEM modification guidelines.*

*49 CFR 665.7*

## Appendix E

### PRTC/VRE CONTRACTS REVIEWED

Location/Number	Type	Description	Contractor	Amount
PRTC/SP18-21	Small Purchase	Inspect 31 MCI Coaches	Transit Resource Center	\$68,655.00
PRTC/20190164-00	Small Purchase	Vicon Camera Replacement	EAI Security Systems	\$9,716.70
PRTC/20180226-00	Small Purchase	Apollo Camera for MCI Coaches	Apollo Video Technology	\$8,502.72
PRTC/20190191-00 PRTC/20190195-00	Small Purchase	Transit Master Antenna Upgrade	ROK Brothers, Inc.	\$7,400.00
PRTC/20190251-00	Small Purchase	GFI Fareboxes	GFI Genfare	\$86,005.00
PRTC/20190145-00	Small Purchase	Camera Installation Inspection	Apollo Video Technology	\$5,667.00
PRTC/SP18-22	Small Purchase	Schedule Racks for MCI Coaches	Transit Information Products	\$10,000.00
PRTC/20180159-00	Small Purchase	PRTC Branding & Website Redesign	Institute of Research	\$45,900.00
PRTC/20190099-00	Small Purchase	Redesign Omniride Website	Redmon Group, Inc.	\$64,199.44
PRTC/20190124	Small Purchase	Radio for 5 MCI Coaches	Advance Technology	\$3,745.00
PRTC/20190333-00	Small Purchase	Replace Camera for Employee Lot	EAI Security Systems	\$4,354.00
PRTC/20190071	Small Purchase	Diesel Filters for MCI Coaches	First Transit, Inc	\$12,392.00
VRE/018-014	Sealed Bid	Purchase 20 automated electric motor parking brake systems	Wabtech Passenger Transit	\$176,680.00
VRE/019-002	Sealed Bid	Railcar End Body Door Diaphragm Kits	Central Sales & Service, Inc	\$97,660.50
VRE/019-004	Sealed Bid	Passenger Car Truck Overhaul Service	UTCRA, LLC	\$2,939,145.12

VRE/019-007	Sealed Bid	Railcar HVAC Component Overhaul Services	TIA Systems, LLC	\$2,505,600
PRTC/17-04	Competitive Proposals	Website Development, Programming, Hosting and General Technical Support	Redmon Group, Inc	\$86,779.44
VRE/017-016	Competitive Proposals	Installation and Integration of Security Cameras and Access Control System	RPI Group, Inc	NTE \$1,000,000.00
PRTC/18-02	Competitive Proposals	Fleet Audit & Technical Fleet Services	American Service Corp dba Transit Resource Center	\$103,400.00 A Year
PRTC/19-06	Competitive Proposals	Purchase of 31 MCI Commuter Buses	MCI	\$18,008,520.00
VRE/018-007	Competitive Proposals	Automatic Passenger Counting System	Infodev EDI Inc	\$1,090,911.00
VRE/019-005	Non-Competitive Proposals	Positive Train Control Software & Licenses	Metrocomm, LLC	\$3,446,557.00

## **Appendix F**

### **Copy of Management Comment Letter**



November 8, 2019

Mr. Tony Cho

Director, Office of Program Management  
& Oversight

U.S. Department of Transportation

Federal Transit Administration

1835 Market Street, Suite 1910

Philadelphia, PA 19103

Re: FY 2019 FTA Procurement System Follow-Up Review Draft Report

Dear Mr. Cho:

The Potomac and Rappahannock Transportation Commission and the Virginia Railway Express have reviewed the findings as outlined in the Procurement System Follow-up Review Draft Report dated August 2019. The Follow-Up PSR was a review of the eleven (11) elements found to be Deficient during the FY 2016 PSR. PRTC was found to be Not Deficient in nine (9) of the elements and Deficient in two (2) of the elements. PRTC is to provide a corrective action plan and schedule to satisfactorily address the deficiencies.

You will find attached to this letter a summary of each deficient finding, a brief description of the finding and a discussion or corrective action plan.



Based on the attached, I believe that PRTC/VRE have fully complied with FTA's recommendations as detailed in the Procurement System Follow-Up Review Draft Report. If there are any elements that have not been addressed to your satisfaction or if further documentation is necessary, please feel free to contact Betsy Massie, Director of Grants at [bmassie\\_a@omniride.com](mailto:bmassie_a@omniride.com) or 703580-6113.

Sincerely,

A handwritten signature in dark ink, appearing to read 'R. Schneider', is written over a light blue rectangular background.

Robert. Schneider, PhD  
Executive Director

cc: Mark Schofield, VRE  
Betsy Massie, PRTC

## **PRTC/VRE Response to Procurement System Follow-Up Review of August 26 — 29, 2019 and Corrective Action Plan**

### **Element (18) Award to Responsible Contractors**

*In addition to the Common Grant Rules that require contract awards be made only to responsible contractors, Federal transit law at 49 U.S.C. Section 5325(j) limits third party contractor awards to those contractors capable of successfully performing under the terms and conditions of the proposed contract. Before selecting a contractor for award, the recipient must consider such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. Moreover, SAFETEA-LU now requires a recipient entering into a fixed guideway project contract to consider the contractor's past performance, including information reported in FTA's required Contractor Performance Assessment Reports, 49 U.S.C. Section 5325 (j)(2)(C). (FTA C4220.1F, IV, 2.a.1.)*

### **Discussion**

The recipient is deficient with respect to this element.

Review of the following file disclosed a deficiency with respect to this element.

ID Number	Contractor	Item Description	\$ Amount
PRTC 17-04	Redmon Group	Website Development	\$86,779

PRTC retained the firm Redmon Group, Inc. (Redmon) on July 27, 2017 to provide website development, programming, hosting and technical support. Redmon was selected based on a competitive RFP among five (5) proposers. PRTC did not conduct a contractor responsibility review or make a determination of contractor responsibility prior to award of the original contract. A debarment check on [SAM.gov](http://SAM.gov) was conducted August 21, 2019 as part of the award process for the first task order.

### **Recipient Response and Corrective Action**

PRTC does not disagree with the assessment of this element and has developed the attached Responsibility Determination Checklist (Exhibit 1) and added the Responsibility Determination Checklist as an item on the Procurement Checklist (Exhibit 2). PRTC is in the midst of an active procurement with proposals being due on November 25 and will use the Responsibility Determination Checklist as part of the evaluation of potential vendors.

## Element (19) Sound and Complete Agreement

*ADEQUATE THIRD-PARTY CONTRACT PROVISIONS: The Common Grant Rules require that all third-party contracts include provisions adequate to form a sound and complete agreement. Compliance with Federal laws and regulations will necessarily result in the addition of many other provisions to ensure compliance with those laws and regulations.*

### Discussion

The recipient is deficient with respect to this element

ID Number	Contractor	Item Description	\$ Amount
PRTC 17-04	Redmon Group	Website Development	\$86,779
VRE 017-016	RPI Group, Inc.	Installation & Integration of Security Cameras	NTE \$1,000,000

The underlying agreement with the Redmon Group included hourly rates for on-going task order work did not identify the method of compensation to be utilized for the task orders (i.e., fixed price, T&M, cost reimbursable contracts). The proposal issued by Redmon for the first task order of \$64,199, and accepted by PRTC, did not include any breakdown of the \$64,199 fee, and included four payment milestones of 25% each for completion of various portions of the work, including an initial 25% milestone for "project start". PRTC indicates that this project start milestone included domain name change, software licenses and schedule development.

VRE awarded a task order agreement to the firm RPI Group, Inc. (RPI) on October 3, 2017. The base contract is an NTE \$1,000,000. Under the agreement RPI will be assigned task orders over a potential six (6) year period (one base year plus five (5) one-year option periods) to accomplish installation and integration of the camera/access control system throughout the VRE operating territory. The underlying agreement identified that the various task orders would be awarded to a single successful proposer but did not identify the method of compensation to be utilized for the task orders (i.e., fixed price, T&M, cost reimbursable contracts). Task order proposals submitted by RPI in response to requests for such proposals identified the hours and labor costs, along with estimated amounts for ODC's, and fee. The proposals submitted by RPI, and accepted by VRE, are classified as time and material arrangements. The use of T&M is not defined in the main agreement and VRE has not justified the use of T&M contracting as part of the task order file documentation.

### Recipient Response and Corrective Action

PRTC/VRE do not disagree with the assessment of this element and have developed the attached checklist (Exhibit 1) to be utilized by all staff within PRTC's/VRE's Procurement Department when preparing a solicitation that will result in the award of a single Indefinite Quantity Contract.

VRE anticipates advertising an RFP for on-call Safety and Security Consulting Services in the first quarter of calendar year 2020, which will result in services being furnished through the issuance of Task Orders. The attached checklist will be utilized to prepare this solicitation as a means of ensuring that all applicable Federal requirements for IDIQ contracts are incorporated within the RFP.

## Responsibility Determination Checklist

IFB/RFP # \_\_\_\_\_

CONTRACTOR/VENDOR: \_\_\_\_\_

A contractor review is required, prior to award, to determine that the contractor is responsible and capable to perform the work as specified.

For each of the areas described below, check that the appropriate research has been accomplished and provide a short description of the research and results.

REQUIREMENT	ACCEPTABLE			COMMENTS
	YES	NO	N/A	
Appropriate financial, equipment, facility and personnel				
Ability to meet delivery schedule (timeliness)				
Satisfactory record of integrity and Business ethics				
Production and Operational Capability				
Exclusions on <a href="http://SAM.gov">SAM.gov</a>				
Virginia State Debarment list (Debarment & Suspension)				
Certificate of Insurance				
Technical Licensing and Certifications				
DBE Participation Commitment Verification				

Past Performance Verifications (from Reference Checks)				
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## PROCUREMENT CHECKLIST

PROCUREMENT/CONTRACT NUMBER \_\_\_\_\_

CONTRACT ADMINISTRATOR \_\_\_\_\_

PROJECT MANAGER (if different from CA) \_\_\_\_\_

SOLICITATION FILE DOCUMENTATION:	<ul style="list-style-type: none"> <li>Responsibility Determination Checklist</li> </ul>
0 Documentation of Procurement Method	0 Notification of Interviews
0 Procurement Summary	<input type="checkbox"/> Technical Evaluation Summary, Summary Matrix & Score Sheets
<input type="checkbox"/> Contract Requisition	<ul style="list-style-type: none"> <li>Exclusions from <a href="http://SAM.gov">SAM.gov</a> (printout of search results)</li> </ul>
0 Amendments	<input type="checkbox"/> Debriefs/Protests
<ul style="list-style-type: none"> <li>Solicitation (IFB, RFP)</li> </ul>	CONTRACT FILE DOCUMENTATION:
<ul style="list-style-type: none"> <li>Independent Cost Estimate</li> </ul>	<ul style="list-style-type: none"> <li>Board Authorization for Contract Award</li> </ul>
<input type="checkbox"/> Public Notices, Advertisements, and Website Posting	0 Contract
<ul style="list-style-type: none"> <li>Bidder's List</li> </ul>	<ul style="list-style-type: none"> <li>Performance and Payment Bonds, Letters of Credit</li> </ul>
<ul style="list-style-type: none"> <li>Pre-Proposal / Bid Conference Presentation (if applicable)</li> </ul>	0 Certificates of Insurance
<input type="checkbox"/> Pre-Proposal/Bid Conference Attendee List	0 Notice of Award
<input type="checkbox"/> Solicitation Questions and Answers	III Notice to Proceed (if applicable)
0 Approved Equal Status Requests and	<input type="checkbox"/> Contract Modifications / Change Orders and Cost / Price Analyses for each
0 Bid Opening Record (tabulation), if applicable	0 Contract Closeout Documentation
<ul style="list-style-type: none"> <li>Bid Opening Attendee List, if applicable</li> </ul>	III Record of Procurement History
0 Bid / Proposal Evaluation Documentation	<input type="checkbox"/> Contractor Performance Evaluation
<ul style="list-style-type: none"> <li>Request for / and Best and Final Offers (if applicable)</li> </ul>	ROLLING STOCK ONLY:
<input type="checkbox"/> Offers (Bids / Proposals)	0 Pre-Award Buy America Review
<input type="checkbox"/> Record of Late Offers/Bids or Withdrawals	0 Post-Delivery Buy America Review
0 Post Opening Survey Documentation (if single bid/proposal)	0 Purchaser's Requirements Certification



EVALUATION DOCUMENTATION:	<ul style="list-style-type: none"> <li>• FMVSS Certification</li> </ul>
0 Conflict of Interest Non-Disclosure Statements from TET	<input type="checkbox"/> On Site Inspector's Report
0 Responsiveness Checklist	<input type="checkbox"/> Pre-Award Transit Vehicle Manufacturers Certifications ( TVM Certification from <a href="http://www.fta.dotgov/dbe">www.fta.dotgov/dbe</a> )

Reviewed & Approved by: \_\_\_\_\_ Date: \_\_\_\_\_


### Exhibit 3

Item #	INDEFINITE DELIVERY-INDEFINITE QUANTITY CHECKLIST - SINGLE AWARD The following provisions must be included in each solicitation resulting in award of a single Indefinite Quantity Contract.	Completed
1	Identify the Contract Type as Indefinite Delivery - Indefinite Quantity.	
2	Define the period of performance / fixed ordering period.	
3	Specify a minimum guarantee and maximum contract value.	
4	Establish that deliveries of supplies or the performance of services by the Contractor shall be authorized through the issuance of Task Orders signed by the PRTC Executive Director/NRE Chief Executive Officer or his/her designee.	
5	Stipulate that all Task Orders are subject to the terms and conditions of the Contract, and that in the event of a conflict between the Task Order and the Contract, the Contract shall control.	
6	Specify that all Task Orders issued under the Contract shall either be Firm Fixed Price or Cost Plus Fixed Fee, as specifically defined in the Request for Task Order Proposal.	
7	Establish procedures for ordering - PRTC/NRE shall send a Request for Task Order Proposal to the Contractor. The Request for Task Order Proposal shall include the following:	
a	Scope of Work	
b	Period of Performance/Ordering Period	
c	Reporting Requirements and Deliverables	
d	Type of Task Order (firm fixed price or cost plus fixed fee) based upon approved contract rates	
e	Proposal Due Date	
8	Require the Contractor to submit a Task Order Proposal to PRTC/NRE within the time allotted that includes the following:	
a	Approach to Meet the Scope of Work	
b	Listing of Subcontractors to be Utilized	
c	Price or Cost Proposal	
9	Specify that the Contractor's price or cost proposal will be evaluated against PRTC's/NRE's Independent Cost Estimate and negotiations may be initiated by PRTC/NRE as necessary in order to reach an agreement on a reasonable Task Order amount.	



January 16, 2020

TO: Vice Chair Sebesky and PRTC Commissioners

FROM: Perrin Palistrant   
Director of Operations and Operations Planning

THROUGH: Robert A. Schneider, PhD   
Executive Director

SUBJECT: October 2019 Fleet Maintenance Audit

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### Overview

The most recent fleet maintenance audit (attached) was conducted in October 2019. Random sample audits are conducted three times per year by Potomac and Rappahannock Transportation Commission's (PRTC) independent contractor, Transit Resource Center (TRC). A summary of their report is presented below.

There was an increase in average defects for active and contingency vehicles, which is a break from the trend of either stable defect rates or slight decreases in prior audits. While we believe this was an anomaly, particularly for mechanical defects, PRTC management and Quality Assurance staff has taken steps to increase the oversight of the maintenance program to ensure the items mentioned below are being addressed and that steps are in place to reduce the defect rate before this becomes a trend. First Transit management is working to keep the average fleet defects low and improve processes to assist maintenance staff.

### Report Summary

As previously mentioned, bus maintenance audits are conducted three times annually (one every four months) on behalf of PRTC by Transit Resource Center (TRC). First Transit is under contract to PRTC to maintain PRTC's bus fleet. This is the twentieth audit conducted of First Transit since their contract with PRTC began on July 1, 2013.

Audits consist of a physical bus inspection of 51 buses, which represents about one-third of the total fleet. The audits also include a fluids analysis, records review, and road testing one-quarter of the sample. A review is also made of maintenance worker qualifications as agreed to by PRTC and First Transit. Reporting is based on a random sampling of the active fleet (47 buses) with separate analysis made of the contingency fleet (4 buses).

For this audit there was an average of 4.1 defects per bus for all buses inspected (active and contingency buses combined), compared to 3.1 last audit and 2.6 for each of two audits before that. The 47 active buses inspected averaged 3.8 defects per bus, compared to 3.1 per bus last audit. The four contingency buses averaged 7.7 defects per bus compared to 3.75 last audit.

The summary table which follows compares active and contingency buses in several defect categories for the past four audits. On-time adherence to preventive maintenance inspections (PMIs), scheduled at 6,000-mile intervals, continues to be perfect at 100% for thirty-five consecutive audits.

<b>TABLE 1</b>				
<b><i>Comparison of Active &amp; Contingency Buses</i></b>				
	<b>Aug. '18</b>	<b>Feb. '19</b>	<b>June '19</b>	<b>Oct '19</b>
<b>Average # of Defects per Bus: All Buses</b>	2.6	2.6	3.1	4.1
<b>Average # of Defects per Bus: Active Fleet</b>	2.6	2.5	3.1	3.8
<b>Mechanical Defects (net of cosmetic defects): Active Fleet</b>	1.4	1.4	1.8	2.8
<b>Average # of Defects per Bus: Contingency Fleet</b>	3.3	3.75	3.75	7.7
<b>Average # of "A" Defects per Bus: All Buses</b>	0.20	0.23	0.18	0.31
<b>Average # of "A" Defects per Bus: Active Fleet</b>	0.21	0.23	0.17	0.34
<b>Average # of "A" Defects per Bus: Contingency Fleet</b>	0.0	0.25	0.25	0.00
<b>PMI Adherence</b>	100%	100%	100%	100%

The number of "A" defects for all buses inspected, which totaled 9 last audit, increased to 16 this audit. "A" defects are those agreed upon by PRTC and First Transit as being more serious, those that would keep a bus from resuming revenue service until repaired. "A" category defects were reported to First Transit shortly after being identified. A copy of the "A" defect list used for all audits is attached as Appendix B.

The four contingency buses inspected averaged 7.7 defects per bus, compared to 3.75 last audit. This compares to an average of 3.8 defects for the active fleet. Conclusions drawn from such a small fleet sampling (only four buses) are difficult to make.

TRC will continue to conduct a separate analysis of contingency buses, determine if operators are reporting defects as part of their pre and post-trip inspections, and whether First Transit is correcting those defects. In conducting the analysis of four contingency buses, TRC found that 11 of the 31 contingency fleet defects should have been noted by the operator. Of the 11, four (4) were noted by operators on the Zonar inspection reports. Last audit, operators also did not note any of the four (4) defects that should have been listed on Zonar reports. Despite the improvement for this audit, there is a need to more closely examine operators' use of Zonar.

Other aspects of the audit revealed:

- The workshop continues to be clean.
- PMI records, filed electronically, continue to be extremely well organized and easy to locate.
- Bus exteriors and interiors are exceptionally clean.
- Exterior-related body defects for the active fleet decreased to 37 for this audit compared to 55 last audit and 51 the audit before last. Despite the decrease, exterior-related body defects account for the second highest defect category with Engine Compartment defects now topping the list at a total of 61 for the active fleet this audit.
- The number of interior condition defects for the active fleet increased to nine (9) compared to four (4) last audit.
- When cosmetic (interior condition and exterior body) defects are removed from the active fleet totals, the number of mechanical defects equals 2.8 per bus compared to 1.8 last audit.
- Bus areas where no defects were found on any of the active buses inspected include Differential and Passenger Controls compared to six (6) such categories last audit.
- Six (6) categories saw a significant increase in the number of average defects per bus: Air/Brake Systems, Climate Control, Destination Signs, Engine Compartment, Interior Condition and Exhaust.
- Three (3) categories saw a significant decrease: Driver's Controls, Exterior Body Condition and Suspension/Steering.
- The road tests of the 13 buses selected at random revealed no defects this audit compared to one (1) defect last audit.
- Refrigerant-related air conditioning (AC) repairs examined were all performed by EPA certified personnel as required by PRTC.
- First Transit management continues to show a willingness to minimize defects by immediately repairing "A" defects shortly after being identified.
- The review of PMI records revealed that First Transit continues to have a process to follow up on defects identified during PM inspections.
- Testing of fluid samples showed six (6) alerts compared to four (4) last audit: two (2) engine, two (2) transmission, and two (2) coolant. Of the six (6) alerts, four (4) require some action to be taken before the next PM interval. Results appear to be providing an early warning of possible problems as opposed to neglected maintenance.

- Regarding fluid alerts reported last audit where First Transit was recommended by the lab to take corrective action, an examination found that follow-up action was taken in all cases.
- First Transit is compliant in three (3) of the four (4) workforce categories (one employee does not meet minimum work experience requirements; 96% compliance (up from 92%) instead of the required 100%). Required annual refresher training is at full compliance. All mechanics/foremen now have ASE certifications and all are AC certified. Steps are in place to bring the total to 100%.
- First Transit management continues to be cooperative with regard to providing the buses and workspace needed for carrying out audit inspections in a timely fashion.
- A review of all contingency bus records revealed that all were driven at least 30 miles per month. All contingency buses have current registrations, all are being given required maintenance attention, and all four contingency buses selected for inspection for this audit did start prior to being inspected.

Given the increase in defects across several categories, the primary recommendation is to decrease exterior-related defects, engine/engine compartment defects, contingency bus defects, and "A" defects. In addition, the long-standing recommendation continues: operators need to be trained to note more defects on their Zonar records. Of the 11 contingency bus defects that an operator should have noted, only four (4) were found in the Zonar inspection records. Last audit, operators also failed to note such defects. This has been an ongoing recommendation for several audits.

Attachment: As stated



TRANSIT RESOURCE CENTER

Presents:

# **Fleet Maintenance Audit Report**

## **October 2019**

Presented to:



### **Potomac & Rappahannock Transportation Commission**

14700 Potomac Mills Road  
Woodbridge, VA 22192

**November 27, 2019**

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**Potomac and Rappahannock Transportation Commission  
(PRTC)**

**VEHICLE MAINTENANCE AUDIT  
Conducted October 21-25, 2019**

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**POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION**  
**VEHICLE MAINTENANCE AUDIT**  
**Conducted October 21-25, 2019**

***FINAL REPORT***

**SUMMARY**

Bus audits are conducted of First Transit three times annually (one every four months) on behalf of the Potomac and Rappahannock Transportation Commission (PRTC) by Transit Resource Center (TRC). First Transit is under contract to PRTC to maintain PRTC's bus fleet. This is the nineteenth audit conducted of First Transit since their new contract with PRTC began on July 1, 2013.

Audits consist of a physical bus inspection of 51 buses, which represents about one-third of the total fleet. The audits also include a fluids analysis, records review, and road test of one-quarter of the sample. A review is also made of maintenance worker qualifications as agreed to by PRTC and First Transit. Reporting is based on a random sampling of the active fleet (47 buses) with separate analysis made of the contingency fleet (4 buses).

For this audit there was an average of 4.1 defects per bus for all buses inspected (active and contingency buses combined), compared to 3.1 last audit and 2.6 for each of two audits before that. The 47 active buses inspected averaged 3.8 defects per bus, compared to 3.1 per bus last audit. The four contingency buses averaged 7.7 defects per bus compared to 3.75 last audit.

The summary table which follows compares active and contingency buses in several defect categories for the past four audits. On-time adherence to preventive maintenance inspections (PMIs) scheduled at 6,000-mile intervals continues to be perfect at 100% for thirty-five consecutive audits.

<b>TABLE 1</b> <b><i>Comparison of Active &amp; Contingency Buses</i></b>				
	<b>Aug. '18</b>	<b>Feb. '19</b>	<b>June '19</b>	<b>Oct '19</b>
<b>Average # of Defects per Bus: All Buses</b>	2.6	2.6	3.1	4.1
<b>Average # of Defects per Bus: Active Fleet</b>	2.6	2.5	3.1	3.8
<b>Mechanical Defects (net of cosmetic defects): Active Fleet</b>	1.4	1.4	1.8	2.8
<b>Average # of Defects per Bus: Contingency Fleet</b>	3.3	3.75	3.75	7.7
<b>Average # of "A" Defects per Bus: All Buses</b>	0.20	0.23	0.18	0.31
<b>Average # of "A" Defects per Bus: Active Fleet</b>	0.21	0.23	0.17	0.34
<b>Average # of "A" Defects per Bus: Contingency Fleet</b>	0.0	0.25	0.25	0.00
<b>PMI Adherence</b>	100%	100%	100%	100%

The number of "A" defects for all buses inspected, which totaled 9 last audit, increased to 16 this audit. "A" defects are those agreed upon by PRTC and First Transit as being more serious, those that would keep a bus from resuming revenue service until repaired. "A" category defects were reported to First



Transit shortly after being identified. A copy of the “A” defect list used for all audits is attached as Appendix B.

The four contingency buses inspected averaged 7.7 defects per bus, compared to 3.75 last audit. This compares to an average of 3.8 defects for the active fleet. Conclusions drawn from such a small fleet sampling (only four buses) are difficult to make.

TRC will continue to conduct a separate analysis of contingency buses, determine if operators are reporting defects as part of their pre and post trip inspections, and whether First Transit is correcting those defects. In conducting the analysis of four contingency buses, TRC found that 11 of the 31 contingency fleet defects should have been noted by the operator. Of the 11, four were noted by operators on the Zonar reports. Last audit, operators also did not note any of the four defects that should have been listed on Zonar reports. Despite the improvement for this audit, there is a need to more closely examine operators’ use of Zonar.

Other aspects of the audit revealed:

- The workshop continues to be clean.
- PMI records, filed electronically, continue to be extremely well organized and easy to locate.
- Bus exteriors and interiors are exceptionally clean.
- Exterior-related body defects for the active fleet decreased to 37 for this audit compared to 55 last audit and 51 the audit before last. Despite the decrease, exterior-related body defects account for the second highest defect category with Engine Compartment defects now topping the list at a total of 61 for the active fleet this audit.
- The number of interior condition defects for the active fleet increased to nine compared to four last audit.
- When cosmetic (interior condition and exterior body) defects are removed from the active fleet totals, the number of mechanical defects equals 2.8 per bus compared to 1.8 last audit.
- Bus areas where no defects were found on any of the active buses inspected include Differential and Passenger Controls compared to six such categories last audit.
- Six categories saw a significant increase in the number of average defects per bus: Air/Brake Systems, Climate Control, Destination Signs, Engine Compartment, Interior Condition and Exhaust.
- Three categories saw a significant decrease: Driver’s Controls, Exterior Body Condition and Suspension/Steering.
- The road tests of the 13 buses selected at random revealed no defects this audit compared to one defect last audit.
- Refrigerant-related air conditioning (AC) repairs examined were all performed by EPA certified personnel as required by PRTC.
- First Transit management continues to show a willingness to minimize defects by immediately repairing “A” defects shortly after being identified.
- The review of PMI records revealed that First Transit continues to have a process to follow up on defects identified during PM inspections.
- Testing of fluid samples showed six alerts compared to four last audit: two engine, two transmission, and two coolant. Of the six alerts, four require some action to be taken before the next PM interval. Results appear to be providing an early warning of possible problems as opposed to neglected maintenance.
- Regarding fluid alerts reported last audit where First Transit was recommended by the lab to take corrective action, an examination found that follow-up action was taken in all cases.

- First Transit is compliant in three of the four workforce categories (one employee does not meet minimum work experience requirements; 96% compliance (up from 92%) instead of the required 100%). Required annual refresher training is at full compliance. All mechanics/foremen now have ASE certifications and all are AC certified.
- First Transit management continues to be cooperative with regard to providing the buses and workspace needed for carrying out inspections in a timely fashion.
- A review of all contingency bus records revealed that all were driven at least 30 miles per month. All contingency buses have current registrations, all are being given required maintenance attention, and all four contingency buses selected for inspection for this audit did start prior to being inspected.

Given the increase in defects across several categories, the primary recommendation is to decrease exterior-related defects, engine/engine compartment defects, contingency bus defects, and “A” defects. In addition, the long-standing recommendation continues: operators need to be trained to note more defects on their Zonar records. Of the 11 contingency bus defects that an operator should have noted, four were found in the Zonar records. Last audit, operators failed to note such defects. This has been an ongoing recommendation for several audits.

Audit details are presented in the various sections found in the body of this report. Various tables used throughout this report are based on more complete data contained in Excel spreadsheets included on a separate CD.

## **BUSES INSPECTED**

TRC selected at random 47 active buses and four contingency buses (51 in total) for a physical fleet inspection and then selected 13 of them at random to receive a Fluids Analysis Audit and a Records Review. Thirteen buses were also selected at random by TRC to undergo road tests. Appendix A identifies those buses.

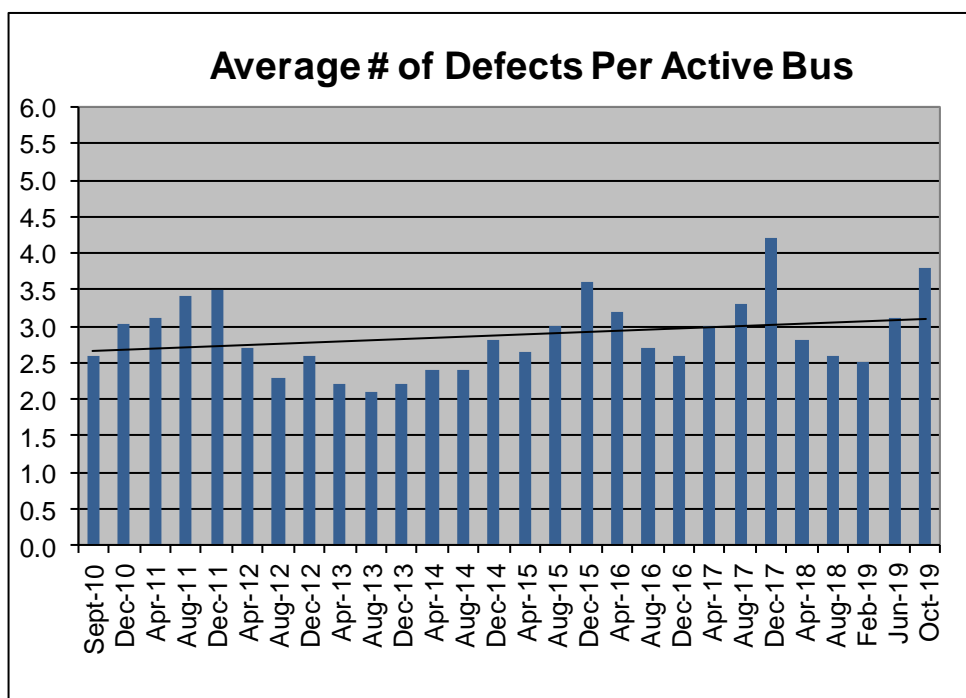
## **FINDINGS**

### **Overall Fleet Condition – Active Buses**

The PRTC fleet continues to be exceptionally clean. The number of interior condition defects for the active fleet increased to nine compared to four last audit. Exterior body defects actually decreased to 37 compared to 55 last audit. Tight parking conditions where approximately 122 parking spots must accommodate 153 buses make it difficult to minimize exterior body damage defects.

Defects continue to remain in the three-per-bus average for the active fleet, although on the high side at 3.8 for this audit. Only once in the past twenty-one audits did defect averages exceed four for the active fleet. **Table 2** which follows shows the historical defect trend for the last 20 audits of First Transit. Although the industry does not have a standard for per-bus defects, an average of defects in the range traditionally exhibited by First Transit is exceptional based upon similar audits conducted by TRC for other transit agencies. A more detailed analysis of the defects is provided in report sections that follow.

**Table 2: Summary of Average Defects per Active Bus**



Note: A December 2018 audit was not conducted

### Overall Defect Summary – Active Buses

All defects identified during the inspections were entered in a database, which was used to generate a Master Defect Sheet. Data contained in that spreadsheet were then used to produce a series of detailed Excel reports, which are included as a CD attachment to this report.

**Table 3**, which follows summarizes active bus defects under each of the 18 functional categories and compares them to the previous audit. For this audit, six categories saw a significant increase in the number of average defects per bus: Air/Brake Systems, Climate Control, Destination Signs, Engine Compartment, Interior Condition, and Exhaust. Three categories saw a significant decrease: Driver's Controls, Exterior Body Condition, and Suspension/Steering.

Three of the active buses inspected had no defects found. In addition, as shown in **Table 3**, there were no defects found in two of the 18 functional categories for all active buses inspected: Passenger Controls and Differential.

Defects by category for the last four audits are shown in **Table 3 which follows**. Trend tabs in the attached spreadsheet show defect trends over longer intervals.

<b>TABLE 3</b> <i>Defects by Category - Active Buses</i>					
<b>Defect Category</b>	<b>Aug. '18 Defects Avg. per Bus</b>	<b>Feb. '19 Defects Avg. per Bus</b>	<b>June '19 Defects Avg. per Bus</b>	<b>Oct '19 Defects Avg. per Bus</b>	<b>Significant Increase (+) or Decrease (-) Current vs. Prior Audit</b>
Accessibility Features	0.19	0.21	0.19	0.23	
Air System/Brake System	0.06	0.06	0.06	0.28	+
Climate Control	0.09	0.00	0.00	0.11	+
Destination Signs	0.04	0.00	0.00	0.17	+
Differential	0.06	0.02	0.00	0.00	
Driver's Controls	0.09	0.15	0.23	0.09	-
Electrical System	0.00	0.04	0.06	0.11	
Engine/Engine Compartment	0.49	0.51	0.70	1.30	+
Exhaust	0.00	0.00	0.00	0.11	+
Exterior Body Condition	0.13	1.09	1.17	0.79	-
Interior Condition	0.02	0.09	0.09	0.19	+
Lights	0.17	0.00	0.28	0.17	
Passenger Controls	0.00	0.06	0.00	0.00	
Safety Equipment	0.04	0.09	0.06	0.04	
Structure/Chassis/Fuel Tank	0.09	0.00	0.00	0.02	
Suspension/Steering	0.04	0.09	0.17	0.09	-
Tires	0.02	0.02	0.02	0.02	
Transmission	0.04	0.04	0.02	0.06	
<b>Active Bus Defect Totals:</b>	<b>121</b>	<b>116</b>	<b>144</b>	<b>161</b>	
<b>Active Buses Inspected:</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	
<b>Average Defects per Bus:</b>	<b>2.6</b>	<b>2.5</b>	<b>3.1</b>	<b>3.8</b>	

As indicated above, each defect was given a severity code:

**A** – Indicates a critical defect that when identified during a regularly scheduled PMI requires immediate repair before the vehicle could resume revenue service.

**B** – Indicates a non-critical defect, the repair of which could be deferred to later time.

#### **“A” Defect Summary – All Buses**

A total of 16 “A” defects were identified for this audit for all buses inspected compared to nine last audit and 12 the audit before last. **Table 4** which follows shows a breakdown of those defects classified under active and contingency buses.

<b>TABLE 4</b> <i>A-Category Defects</i>		
<b>Defect Category</b>	<b>A-Defects Active Fleet</b>	<b>A-Defects Contingency Fleet</b>
<b>Accessibility</b> - Wheelchair related	8	
<b>Safety Equipment</b> - Signage	1	

<b>TABLE 4</b> <i>A-Category Defects</i>		
<b>Defect Category</b>	<b>A-Defects Active Fleet</b>	<b>A-Defects Contingency Fleet</b>
<b>Air/Brake System</b>		
- Leaks	4	
- Alarm	2	
<b>Suspension/Steering</b>		
- Drag link	1	
<b>Subtotal "A" Defects</b>	<b>16</b>	
<b>Total "A" Defects</b>		<b>16</b>

First Transit understood they would not operate buses with "A" defects until those defects were repaired. It should be noted that not all "A" defects will keep the bus from service according to DOT standards. Air leaks, for example, have an acceptable DOT allowance and can lose three pounds of air pressure in just two minutes.

### **Contested Defects**

First Transit contested 15 defects compared to none last audit. Appendix D provides further detail of contested defects.

### **Defect Analysis (Active and Contingency Buses)**

Defects identified by TRC were analyzed to determine the severity or detrimental impact they pose in terms of safety, comfort and convenience, structural integrity, and life expectancy of major components.

#### Safety

There were 16 "A" category defects identified during this audit for all buses inspected compared to nine found last audit. Of the 16 "A" defects, 13 should have been noted by operators during their daily inspections understanding that some may be difficult for operators to detect. There was one defect related specifically to safety equipment compared to one last audit.

#### Comfort and Convenience

Exteriors and interiors continue to be exceptionally clean. There were five climate control defects this audit for all buses compared to none for the previous two audits. There were no Passenger Control defects for this audit compared to the same last audit. Interior-related defects for all buses inspected totaled 10 compared to six last audit.

#### Structural Integrity

There continue to be no defects that impact structural integrity.

#### Life Expectancy of Major Components

First Transit continued its perfect adherence to scheduled PM inspections. The changing of fluids that occurs during these inspections combined with fluid analysis maximizes the life expectancy of major components.

Regarding fluid samples taken by TRC, there were six alerts reported this audit compared to four last audit: two engine, two transmission, and two coolant. Of the six alerts, four require action to be taken before the next PM inspection. First Transit immediately responded with the action it would take in

response to these alerts. The alerts are consistent with First Transit's fluid analysis program providing an early warning of potential problems as opposed to neglected maintenance.

Records also continue to show that First Transit has a program in place to identify defects as part of the PM inspections and a process of getting those defects repaired in a timely fashion. They also have a process to quickly investigate fluid sampling alerts reported by their own testing lab, which together help extend vehicle and component life.

### **Trend Analysis**

The long-term trend lines for defects for active buses as shown in the separate spreadsheet tab continue to indicate a very gradual upwards trajectory. Mechanical defects (excludes interior and exterior body defects), however, continue on a more pronounced downward slope (fewer defects). Other categories where defects are on a downward trend (less defects) include Driver's Controls, Interior Body, Lights, Climate Control, Steering/Suspension, Transmission, Lights, and Passenger Controls. Categories with an overall long-term trend increase (more defects) include Electrical Systems, Accessibility, and Exterior Body Condition.

The trend for "A" defects for all buses had increased steadily from December of 2016 (10) to December 2017 (21), and then reversed that trend falling to a range of 11-12 from April '18 to February '19. Last audit "A" defects decreased to nine, but then increased to 16 for this audit. TRC will continue to monitor.

### **RECORDS REVIEW**

#### **PMI Schedule Adherence**

TRC examined the records of 13 buses selected at random (12 active, 1 contingency) to determine if PMIs are being done at scheduled 6,000-mile intervals. PMI intervals are considered "on time" if performed on or before 6,600 miles ("late window" of 10% or 600 miles).

All PMI records, now filed electronically, are well organized and very easy to access and locate.

**Table 5** which follows shows the PMI intervals compared to the previous PMIs performed by First Transit for each of the 13 buses selected at random.

<b>TABLE 5</b> <b><i>PMI Schedule Adherence</i></b>		
<b>Bus #</b>	<b>PMI Mileage Intervals</b>	<b>Notes</b>
184	6394	On time
196	6118	On time
272	5680	On time
286	5730	On time
291	6168	On time
332-C	5785	On time
349	5642	On time
354	5756	On time
369	6186	On time
385	5935	On time
1009	6418	On time

<b>TABLE 5</b> <i>PMI Schedule Adherence</i>		
<b>Bus #</b>	<b>PMI Mileage Intervals</b>	<b>Notes</b>
3009	6200	On time
3019	6348	On time

The review of records by TRC revealed that all 13 buses (100%) had their PM inspections done on time. The on-time performance for PMI schedule adherence remains at 100% for thirty-six consecutive audits, an impressive accomplishment. First Transit management continues its process whereby upcoming PMIs are identified and reviewed daily to ensure on-time completion.

### **Repair of Defects Identified During PMIs**

TRC reviewed the last two PMI e-files for all 13 buses chosen at random (26 PMI records total) to determine if repairs were performed properly and made promptly. TRC examined the PMI files to determine if First Transit has:

- A process in place to distinguish those defects identified and repaired during the PMI from those scheduled for repair at a later date; and
- Actually followed up and repaired the defects identified during the previous PMI.

Of the 26 bus records reviewed, there were six cases where similar defects seem to reappear. An in-depth review revealed that in all cases First Transit had taken action to correct the defect.

With its electronic filing system, First Transit continues to have a record-keeping system that clearly distinguishes defects that get deferred or repaired as a follow-up to scheduled PM inspections.

### **Mechanic Training & Certification**

TRC set out to determine if qualified mechanics are performing maintenance tasks by virtue of documented training and certification by selecting five HVAC repairs/inspections at random. TRC then asked First Transit to provide a copy of the repair order and the name of the mechanic performing the repair or inspection. **Table 6** which follows shows the five HVAC work orders examined.

<b>TABLE 6</b> <i>A/C Repairs by Certified Mechanics</i>			
<b>Bus #</b>	<b>Date</b>	<b>HVAC Repair</b>	<b>Mechanic</b>
367	07-31-19	AC inop. Repair leak and recharge system	Nanthavongsa
192	07-24-19	AC overcharged. Evacuate and recharge system to correct level	Nanthavongsa Alemayehu
294	07-25-19	AC low. Freon leak. Repaired and recharge system	Nanthavongsa Nickens Ahanda
355	07-30-19	AC low. Repaired leaking hose and recharge system	Ndiaye
352	08-09-19	Freon leak. Repaired and recharge system	Nickens

TRC then compared the mechanic(s) who performed the HVAC repairs to the listing of certified technicians compiled for this audit. **Table 7** which follows shows all mechanics along with those certified to perform HVAC (refrigerant-related) repairs and their AC certification status.

<b>TABLE 7</b> <i><b>Mechanic and Foreman Work Status</b></i>	
<b>Mechanic's Name</b>	<b>AC Certification</b>
Andy Velez (Foreman) (FT)	YES
S. Nanthavongsa (FT)	YES
F. Brownell (Foreman) (FT)	YES
W. Nickens (FT)	YES
R. Ahenkora (15 per week – 50%)	YES
F. Artieda (FT)	YES
J. Mitchell (30 per week – 75%)	YES
A. Romano (FT)	YES
D. Alemayehu (30 per week – 75%)	YES
A. Ahanda (30 per week – 75%)	YES
W. Morales (FT)	YES
M. Osei (FT)	YES
T. Criste (FT)	YES
M. Moore (FT)	YES
C. Graham (15 per week – 50%)	YES
T. Tsega (FT) (15 per week – 50%)	YES
J. Bowles (FT)	YES
M. Amankwah (15 per week – 50%)	YES
J. Galo (FT)	YES
F. Reinoso (15 per week – 50%)	YES
A. Gugessa	YES
D. Haile	YES
B. Brooks	YES
M. Ndiaye	YES
T. Barlow (new hire)	YES
E. Hopkins	YES
T. Hexstall	YES
D. Simmons	YES

TRC found that all HVAC repairs involving refrigerant were performed by a certified AC technician. In fact, all mechanics/foremen are now AC certified.

As part of this inspection, TRC also requested an updated listing of all First Transit technicians and a summary of their experience and ASE certifications to determine compliance with the following PRTC requirement:

Maintenance Personnel will be trained to proficiency on each of PRTC's vehicles and sub-systems prior to the start of service. Contractor will be required to ensure that all repairs involving warrantied vehicles, sub-systems, parts, etc., are performed at all times by maintenance personnel who are properly certified to perform such work such that qualifications cannot be questioned when submitting warranty claims. All mechanics (defined as mechanics and foremen) must have at least one ASE certification and five (5)



years' experience on heavy duty trucks or buses. Alternately, mechanics may be graduates of a certified two-year technical/vocational institute and have two (2) years' experience with heavy duty trucks or buses. At least 33 percent of the maintenance staff (defined as mechanics only) shall be ASE Master Certified for medium and heavy duty trucks (or transit buses). In addition, all mechanics (defined as mechanics and foremen) shall receive a minimum of 16 hours of technical/refresher training annually.

PRTC also requires that the ratio of buses per mechanic (excluding foremen) not exceed eight. As indicated in **Table 7** above, full-time employees are classified as "(FT)"; others include the number of hours they work per week (e.g., 30 per week). Those working 15-20 hours per week are classified as 0.50; 30 per week are classified as 0.75 equivalent of a full-time worker. **Table 8** which follows shows required versus actual staffing levels, experience/certifications, and annual refresher/technical training compliance.

The table is based on First Transit's current staffing levels of 23.75 full time equivalent mechanics (18 full time + 5 @ 0.50 + 3 @ 0.75 = 22.75 excluding foremen). There are a total of 28 maintenance employees: two full-time foremen and 26 full or part-time mechanics. Two mechanics left PRTC and one new mechanic was hired since the last audit.

<b>TABLE 8</b> <i>Mechanic Staffing Level, Certifications, and Experience</i>				
<b>Measure</b>	<b>Ratio of buses to mechanics (excluding foremen)</b>	<b>Mechanics/foremen with ASE &amp; 5 years exp. or voc. degree &amp; 2 years exp.</b>	<b>Mechanics w/ ASE Master Certification</b>	<b>Mechanics/foremen w/ min. 16 hours annual refresher/technical training</b>
<b>Required</b>	Max. 8.0	100%	Min. 33% of techs	100%
<b>Actual</b>	6.7 (153/22.75 full time equivalent mechanics)	<b>96%</b> (27 of 28 total mechanics/foremen )	34% (9 of 23.75 full time equivalent mechanics)	100% (28 of 28 total mechanics/foremen)*

Based on a review of the documentation provided, First Transit is compliant in three of the four workforce categories. One employee does not meet the experience requirements as described above, which brings compliance to 96% instead of the required 100%. Compliance is up from 92% last audit, and the one mechanic that does not meet full requirements does have an ASE certification, two years of truck experience and is AC certified. Given the total qualifications of all mechanics/foremen, the impact on the maintenance operation would be minimal with this minor workforce deficiency especially when all 28 maintenance employees (mechanics and foremen) now hold ASE certifications and all are AC certified.

### **Management of Fluid Analysis Program**

First Transit is required to send engine oil, transmission, and coolant fluid samples to a laboratory for testing and evaluation at each PMI to determine if:

- fluid samples were taken at each PMI;
- fluid records were filed and had easy access; and
- the contractor is making use of the fluids analysis results as part of its maintenance program.

Samples are sent out weekly and results are returned in about seven days. Copies are made of each report and filed; this is in addition to computerized records that First Transit maintains for each sampling. Locating fluid analysis reports for each of the 13 buses examined was again made easy because of the well-organized electronic recordkeeping system.

First Transit's fluid analysis vendor uses a coding system of 1-5, where "1" indicates the sample finding is normal and "5" indicates the most critical condition. There were two cases where corrective action was recommended by the lab for the 26 bus records reviewed for this audit. In both cases, there was evidence that corrective action was taken.

In examining the last two PMIs for each of the 13 buses selected at random (26 records), TRC found that:

- Evidence exists that all fluid samples were taken at the appropriate interval.
- Recordkeeping of the fluid analysis program is adequate.

TRC also drew engine, transmission, and coolant fluid samples from 13 buses selected at random (39 samples) to provide another level of fluid condition verification. The results from TRC's lab, which uses a different grading system than First Transit's lab, are shown below. In each case, First Transit responded with an action plan for resolving the deficiencies.

### **Engine Oil**

There were two engine oil alerts compared none last audit.

**196 – Caution:** Engine wear levels appear satisfactory for first sample. Sodium level (possible coolant chemical) elevated. Water content acceptable. Viscosity within specified operating range. **Action: Check for source of possible coolant leak. As oil and filter(s) already changed, resample at a reduced service interval to monitor and establish wear trend.**

Response: First Transit lube oil sample taken 10/10/2019 indicated extremely high levels of Copper where it was normal before; no Glycol contamination was present. We suspect the sample was contaminated by outside sources. Subsequent sample results after 6,000 miles show oil has returned to Normal.

**349 – Severe:** All engine wear rates normal. Sodium and potassium levels indicate internal coolant leak. Water content acceptable. Viscosity within specified operating range. **Action: Check for source of coolant leak and repair. As oil and filter(s) already changed, resample after corrective action to further monitor.**

Response: First Transits last 5 lube oil samples have remained normal across all evaluated spectrums including Sodium and Potassium with negative report for Glycol in the system. First Transit has completed a PMI on 11/4/2019 and we are currently awaiting results and will take action if confirmation of audit results are verified.

### **Transmission Fluid**

There were two transmission fluid alerts compared to two last audit.

**184 – Caution:** Increase in aluminum level noted. All other wear rates normal. Silicon level (dirt/sealant material) satisfactory. Water content acceptable. Viscosity within specified operating range. **Action: Resample next recommended service interval to further monitor.**

Response: Normal results based on 45,400 miles since last transmission service, it is coming due in 3,600 miles. This bus has been taken out of revenue service and potentially going to be sold in the near future. First Transit will create a work order reminder to service the transmission should the bus reenter revenue service.

**3009 – Caution:** Aluminum appears slightly high. All other wear rates normal. Silicon level (dirt/sealant material) satisfactory. Water content acceptable. Viscosity within specified operating range. **Action: Resample next service interval to monitor and establish wear trend.**

Response: This is a new bus which was due its first transmission fluid and filter service. It had reached the end of its service life therefore slightly elevated readings are completely normal. A transmission service has been completed and a fluid sample has been submitted for analysis. First Transit awaits the results and will take further warranty action if sample results indicate required action.

### **Coolant**

There were two coolant alerts compared to two last audit.

**272 – Abnormal:** Glycol level is high. pH level is normal. Pressure check radiator cap, if it fails replace cap and recheck pressure. **Check that proper coolant volume is being maintained. Recommend adjust coolant to a 50/50 mix. Recommend take corrective action and resample to monitor.**

Response: First Transit will follow recommendations by replacing the Pressure cap, pressure testing the system and replacing the coolant with a 50/50 mix ratio. We will continue to monitor every 6,000 miles.

**1009 – Abnormal:** Glycol level is high. pH level is normal. Pressure check radiator cap, if it fails replace cap and recheck pressure. Check that proper coolant volume is being maintained. **Recommend adjust coolant to a 50/50 mix. Recommend take corrective action and resample to monitor.**

Response: First Transit will follow recommendations by replacing the Pressure cap, pressure testing the system and replacing the coolant with a 50/50 mix ratio. We will continue to monitor every 6,000 miles

For this audit, the number of fluid alerts from the samples taken by TRC totaled four compared to six last audit. Of the six alerts, four require corrective action before the next scheduled PM inspection. First Transit initiated corrective action as indicated above as a result of the findings. The findings are consistent with a program that provides early warning of more serious potential future problems. Regarding alerts reported by TRC's fluid sampling last audit, there was evidence to support that First Transit followed up and took necessary corrective action as recommended by TRC's lab.

### **ROAD TEST INSPECTION**

TRC conducted a road test of 13 buses selected at random after the static inspections had been conducted. The road testing began during the October 2007 audit. As indicated earlier, a protocol for assigning any defects identified during the road test was established for this audit. Road test defects are classified as those that would render a vehicle out of service or not according to PRTC's "Out of Service Defects – While Operating" criteria. The Road Test protocol is fully described in Appendix E.

Defects identified during the road tests are not included with the static inspection defects to maintain consistency with previous audits where road tests were not part of the audit. Details of any road test defects found are shown in the “Road Test Defects” tab of the attached spreadsheet.

No road test defects were found this audit compared to none last audit. A historical summary of road test defects, including those that would render a bus out of service, is shown in **Table 9**.

<b>TABLE 9</b> <b><i>Summary of Road Test Defects</i></b>					
	<b>Apr. '18</b>	<b>Aug. '18</b>	<b>Feb. '19</b>	<b>June '19</b>	<b>Oct '19</b>
<b>Total Road Test Defects</b>	1	0	0	1	0
<b>Out-of-Service Total</b>	1	0	0	0	0
<b>Nature of Out-of-Service Defect(s)</b>	Erratic acceleration	n/a	n/a	n/a	n/a

## ANALYSIS OF CONTINGENCY BUSES INSPECTED

The four contingency buses inspected averaged 7.75 defects per bus compared to 3.75 for the previous two audits. The active bus fleet averaged 3.8 defects per bus by comparison. There were no “A” defects found on contingency buses for this audit compared to the same last audit. While “A” defects for contingency buses remain low, other defects for this audit more than doubled. TRC will continue to monitor contingency buses to determine if the sharp increase is an anomaly or the beginning of an upward trend.

It should be noted that direct comparisons between the two fleets is difficult to make because of the small sampling size of the Contingency Bus fleet. Contingency Buses are also older and are driven less frequently than active buses, which typically results in a higher number of defects.

No contingency bus was found with an abnormal fluid finding.

A historical summary of contingency bus defects compared to the active fleet is shown in **Table 10**.

<b>TABLE 10</b> <b><i>Summary of Contingency Bus Defects</i></b>				
	<b>Aug. '18</b>	<b>Feb, '19</b>	<b>June '19</b>	<b>Oct '19</b>
<b>Total Defects - Contingency Bus</b>	13	15	15	31
<b>Average Defects per Contingency Bus</b>	3.25	3.75	3.75	7.75
<b>Average Defects per Active Bus</b>	2.6	2.5	3.1	3.8
<b>Average # of “A” Defects per Bus: Contingency Fleet</b>	0.0	0.25	0.25	0
<b>Average # of “A” Defects per Bus: Active Fleet</b>	0.21	0.23	0.17	0.34

All contingency buses selected at random for inspection were inspected first to determine if their engines would start -- an indication if First Transit is keeping the fleet ready for operation. Of the four contingency buses inspected, all did start this audit compared to one bus that did not start last audit.

## ANALYSIS OF ALL CONTINGENCY BUS RECORDS

An analysis of all Contingency Bus records was conducted to determine if First Transit is meeting its contractual requirements to conduct the following:

- Perform PMIs twice per year, including oil and filter changes
- Keep batteries charged, air systems operational, etc.
- Maintain current state inspections
- Operate buses frequently and for substantial periods of time (minimum 30 miles per month)

It was agreed that a minimum of 30 miles per month (360 miles per year) would be sufficient for the contingency fleet, and two full PMs including oil and filter changes would be conducted annually regardless of accumulated mileage and regardless of the number of specialized “Contingency Bus Inspections” already conducted to check safety items. It was also agreed that subsequent audits would first begin with an inspection of the Contingency Buses selected for the audit as a way to determine if buses would start and, therefore, be ready for service on a moment’s notice if needed. The 30-miles-per-month-per-contingency-bus requirement will be monitored and is subject to change.

A review of all Contingency Buses in meeting contract requirements is shown in **Table 11**. The number of designated Contingency Buses in the fleet totaled 10 this audit compared to the same last audit. The review revealed all of the 10 Contingency Buses received a minimum of two full PMIs during the past year. The review also indicated that four of the 10 Contingency Buses showed activities related to battery maintenance, and eight buses had air system maintenance activity. It should be noted that not all buses need this service within a three-month period. **Table 11** also shows that all annual state inspections are current and all traveled a minimum of 30 miles per month. Seven of the 10 Contingency Buses traveled over 1,000 miles in at least one of the three months examined.

<b>TABLE 11</b> <i>Review of Contingency Bus Records</i>				
<b>Bus Number</b>	<b>Last Two PMs Performed</b>	<b>Batteries Charged &amp; Air Systems</b>	<b>Valid State Inspections</b>	<b>Miles Traveled Per Month (30 min.) Last 90 Days</b>
262	02/27/19 10/30/19	Check charging and new batteries: 02/27/19  Check air system: 02/27/19	Yes	July - 33 August - 41 September - 35
267	04/04/19 10/12/19	Check batteries: 04/04/19  Check air system: 04/04/19	Yes	July - 32 August - 31 September - 37
268	04/01/19 10/12/19	No battery activity found  No air system activity found	Yes	July - 31 August - 134 September - 35
313	04/11/19 08/01/19	No battery activity found	Yes	July - 1224 August - 2972

<b>TABLE 11</b> <b>Review of Contingency Bus Records</b>				
<b>Bus Number</b>	<b>Last Two PMs Performed</b>	<b>Batteries Charged &amp; Air Systems</b>	<b>Valid State Inspections</b>	<b>Miles Traveled Per Month (30 min.) Last 90 Days</b>
		Air dryer: 04/11/19 & 08/01/19		September - 2370
317	04/18/19 08/23/19	Check batteries: 04/18/19 Repair alternator: 08/23/19  Air dryer: 08/23/19 Air compressor: 04/18/19	Yes	July - 1084 August - 63 September - 611
320	05/8/19 08/16/19	Jump start connector: 08/16/19  No air system activity found	Yes	July - 2395 August - 925 September - 1748
321	05/21/19 08/13/19	No battery activity found  Air dryer: 05/21/19	Yes	July - 2640 August - 1496 September - 1420
322	05/20/19 09/24/19	No battery activity found  Air compressor: 05/20/19	Yes	July - 1477 August - 982 September - 1716
329	05/09/19 08/07/19	No battery activity found  Air leaks (2): 05/09/19	Yes	July - 2002 August - 1545 September - 1660
332	06/14/19 09/13/19	No battery activity found  Air pressure gauge: 06/14/19 & 09/13/19	Yes	July - 2597 August - 1758 September - 2298

### **Additional Contingency Bus Records Inspection**

Of the four Contingency Buses inspected, the analysis found 11 of the 31 defects identified were ones that an operator should have noted (see **Table 12**). Of the 11 defects that an operator should have noted, references to four of them were found in the Zonar records. Last audit, operators also failed to note such

defects. TRC will continue to monitor Zonar records and continue to recommend that steps be taken to make better use of the Zonar system.

<b>Table 12</b> <b><i>Additional Review of Contingency Bus Records</i></b>			
<b>Bus Number</b>	<b>Defects that Should Have Been Identified by Operator</b>	<b>Zonar Record</b>	<b>Action Taken by First Transit</b>
262	- Destination sign, some sections inop - Water leak above driver	- No such defects noted	n/a
267	- Destination sign, some sections inop - Check engine light - Roof hatch leak	- No such defects noted	n/a
313	- Loose reading light  - Reverse light internal moisture	- No such defect noted  - 10/10/19 (rear lighting)	n/a  Repaired 11/12/19
332	- Worn wheelchair platform bushing  - Destination sign, some sections inop  - Body damage  - Loose body trim	- No such defect noted  - 10/21/19 rear destination sign not working  -10/15/19: multiple body damage  -10/15/19: multiple body damage	n/a  Repaired 11/12/19  Body work deferred  Body work deferred

## RECOMMENDATIONS

Given the increase of defects for this audit, the primary recommendation is to reduce exterior-related defects, engine/engine compartment defects, contingency bus defects, and “A” defects. Another recommendation is to increase the oversight of PM inspections to make certain mechanics are identifying all defects and use that same oversight to ensure action is taken to repair those defects. In addition, operators need to be trained to note more defects on their Zonar records. Of the 11 defects that an operator should have noted, only four were noted by drivers in Zonar records. Last audit, operators failed to note any such defects. Reporting of defects by operators is an essential part of any PM program.

# APPENDIX A – List of Buses Inspected

<b>Buses Inspected</b>		
<b>FLEET INSPECTION</b>	<b>RECORDS &amp; FLUIDS ANALYSIS</b>	<b>ROAD TEST INSPECTION</b>
<b>2005-06 GILLIG 40’ Phantom 184-188</b>		
Second bus Not available		
184	184	184
<b>2010-12 GILLIG 40’ LF 189-199,1000-1002</b>		
192		
193		
197		
	196	
198		198
1000		
<b>2004-13 GILLIG 30’ 262, 267-288</b>		
262-C		
267-C		
272	272	272
279		
282		
284		284
286	286	
<b>2002 MCI 313-337</b>		
313-C		
332-C	332-C	332-C
<b>2003-06 MCI 338-360</b>		
338		338
345		
346		
349	349	
350		
352		



<b>Buses Inspected</b>		
<b>FLEET INSPECTION</b>	<b>RECORDS &amp; FLUIDS ANALYSIS</b>	<b>ROAD TEST INSPECTION</b>
354	354	
360		360
<b>2008-14 MCI 361-393</b>		
362		
367		
369	369	
370		
375		375
377		
382		
385	385	
389		
391		391
393		
<b>2016 Gillig 1003-1009</b>		
1008		1008
1009	1009	
<b>2016 Gillig Low Floor 289-294</b>		
289		
291	291	291
<b>2017 MCI 394-398</b>		
394		
398		
<b>2019 MCI 3000-3036</b>		
3002		3002
3003		
3009	3009	
3010		3010
3017		
3019	3019	
3024		
3027		
3030		
3031		
3034		
<b>TOTAL: 51 47 Active 4 Cont.</b>	<b>TOTAL: 13 12 Active 1 Cont.</b>	<b>TOTAL: 13 12 Active 1 Cont.</b>

## **APPENDIX B – Evaluation Criteria & Methodology**

TRC continued its audit process of evaluating fleet condition, records, fluids, and worker certification/training using identical procedures from the previous audits. A team of three bus inspectors was assigned to physically inspect the buses, conduct road tests, and draw oil samples. A separate Project Manager organized the overall inspection process, performed the Records and Fluids Analysis Audit, and prepared the final report.

The material which follows describes the evaluation criteria and methodology used by TRC to conduct the various audit inspections.

### **Fleet Inspection**

Specific defects noted during the bus inspections were classified under 18 functional categories:

- 1) Accessibility Features
- 2) Air System/Brake System
- 3) Climate Control
- 4) Destination Signs
- 5) Differential
- 6) Driver's Controls
- 7) Electrical System
- 8) Engine Compartment
- 9) Exhaust
- 10) Exterior Body Condition
- 11) Interior Condition
- 12) Lights
- 13) Passenger Controls
- 14) Safety Equipment
- 15) Structure/Chassis/Fuel Tank
- 16) Suspension/Steering
- 17) Tires
- 18) Transmission

An “A/B” designation system was used to denote defects requiring immediate repair from those that could be repaired at a later time.

**A** – Indicates a critical defect that when identified during a regularly scheduled PMI requires immediate repair and would keep the vehicle from returning to revenue service until the defect is corrected.

**B** – Indicates a non-critical defect, the repair of which could be deferred to a later time.

“A” category defects were agreed upon by PRTC and First Transit early in the audit process and remain the same to keep audit comparisons consistent. A copy of the “A” defects used for all audits is attached as Appendix B. TRC informed First Transit management of “A” category defects as soon as they were

identified, which First Transit repaired immediately or scheduled for repair soon afterwards. First Transit was given an opportunity to contest defects as soon as they were brought to their attention.

TRC shared the entire list of preliminary defects found during each day's inspections with First Transit management with the understanding that the defects would need to be reviewed by TRC and may change based on that review. The sharing of defects is intended to keep First Transit informed of TRC's findings as part of a cooperative and objective evaluation process. TRC inspectors also worked with First Transit personnel to confirm operation of certain controls in advance to ensure that defects were legitimate and not the result of the inspectors not being familiar with specific PRTC bus equipment. If there was any doubt about a defect, TRC either removed it from the list or downgraded "A" defects to "B" level status.

### **Records and Fluids Analysis Audit**

Thirteen buses were selected at random by PRTC for the Records and Fluids Analysis Audits. The records examination set out to determine if:

- Preventive maintenance (PM) had been performed correctly and at prescribed intervals;
- Repairs had been performed properly and made promptly;
- Qualified mechanics performed maintenance tasks by virtue of documented training certification; and
- The fluids analysis program is being administered properly.

#### PM Intervals

To determine if preventive maintenance inspections (PMIs) were performed correctly and on time, TRC examined the PMI records of the thirteen buses selected at random. Mileage between the last two PMIs was calculated to determine if the inspections were performed on time (within 10% or 600 miles of the scheduled 6,000-mile interval).

#### Repairs

To determine if repairs were performed properly and made promptly, two audit procedures were used:

- 1) PMI sheets going back three PMIs were examined for each of the thirteen buses selected at random to determine if and when defects noted during the PMI process were repaired.
- 2) Defects from the previous PMIs were then compared to determine if any defects were repeated from one PMI to the next.

From this comparison TRC could determine if the defects were repaired or if they were simply noted on subsequent inspections.

#### Mechanic Qualification

To determine if qualified mechanics performed maintenance tasks by virtue of documented training and certification, TRC selected five (5) air conditioning (AC) repairs at random from the work orders.

TRC examined AC-related work orders to identify a) the nature of the repair, and b) the mechanics performing the actual work. TRC then compared the name of the mechanic performing the repair to the list of AC certified technicians that TRC updated with First Transit to determine if the technicians were certified to perform the tasks. Technicians performing routine mechanical tasks to AC systems (i.e., those that do not involve refrigerant) are not required to be certified.

TRC also collected and reviewed a listing of Automotive Service Excellence (ASE) certifications and work experiences of all First Transit mechanics to allow PRTC to determine compliance with established requirements.

#### Fluids Analysis Management

To determine if the fluids analysis program is being administered properly, TRC examined oil analysis records for each of the thirteen buses selected at random for the Records Inspection. TRC noted if the fluid analysis was being performed at the appropriate PMI interval, if fluid analysis records were properly filed for easy reference, and if any actions were being taken as a result of the fluid analysis findings.

TRC also drew engine oil, transmission fluid, and coolant samples from thirteen buses selected at random and reviewed those results (39 samples total). In reviewing the results, TRC looked for evidence of inappropriate levels of deterioration. TRC also looked for evidence that First Transit is making use of the fluids analysis results. In addition, TRC reviewed the actions recommended by the lab for the samples it took during the last audit to determine if First Transit did, in fact, act on those recommendations.

#### **Road Test Protocol**

A defined protocol based on PRTC's "Out of Service Defects While Operating" list was used for assigning defects identified during the road test of 13 buses. All road test defects continue to be listed separately and are not included in the fleet defect totals. Instead of assigning an "A" or "B" designation as is done with static inspection defects, road test defects are classified as either:

- Those that in the opinion of the operator would render the vehicle out of service according to PRTC's "Out of Service Defects While Operating" list.
- Those that would not render the vehicle out of service in the opinion of the operator.

PRTC's "Out of Service Defects While Operating" list is attached as Appendix F, which also describes the entire Road Test Protocol as agreed to by PRTC and First Transit.

#### **Contingency Bus Records Review**

A review of all contingency bus records (9 in total for this audit) was made to determine if contract obligations are being met by First Transit to:

- Conduct a minimum of two PM inspections annually, including oil and filter changes
- Make sure batteries are charged and air systems operational
- Make sure current annual state inspections are maintained
- Make sure buses are operated frequently and for sustained periods of time (minimum 30 miles per month).

**APPENDIX C – Excel Spreadsheet Reports  
(Attached as a CD)**

- Defect Summary – All Buses
- Defect Summary – Active Buses
- Defect Summary – Contingency Buses
- Static Defects – All Buses
- Road Test Defects – All Buses
- Defects by Category – All Buses
- “A” Defects – All Buses
- Static Defects – Active Buses
- Road Test Defects – Active Buses
- Defects by Category – Active Buses
- “A” Defects – Active Buses
- Static Defects – Contingency Buses
- Road Test Defects – Contingency Buses
- Defects by Category – Contingency Buses
- “A” Defects – Contingency Buses
- Defect Category Trends – Active Buses
- All Buses Inspected
- Active Buses Inspected
- Contingency Buses Inspected

## **APPENDIX D – Listing of “A” Category Defects**

### **PRTC “A” Defect List**

- Fire extinguisher (expired tag OK unless indicator in red)
- Headlights
- Wipers (either)
- Cracked windshield in driver’s view (larger than a quarter)
- Seat belts, driver
- Turn signals
- Horn
- Emergency flashers
- Brake lights (more than one)
- Air pressure/Air leaks (except series 60 EGR engines at dryer and air operated wipers on delay)
- Brake lining thickness @ 7/32-inch; Disc lining at 1/8-inch
- Tire tread depth @ 2/32 rear; 4/32 front
- Fuel leak
- Exposed wires (insulation missing)
- Oil/Grease on brakes (saturated)
- Wheelchair lift/Ramp & securement
- Sharp edges – interior
- Tripping hazard – interior
- Critical steering/Suspension play, wear
- Sensitive edges – doors – not working at all
- Tire pressure below 80 psi (tag tires 70 psi)
- Wheel lug nuts
- Exhaust leak into bus
- Back-up alarm
- Excessive slack adjuster throw: 30=2”; 36=2.5”
- Emergency window won’t open

**APPENDIX E – Listing of Contested Defects and TRC Response (none for this audit)**

<b>Bus Number</b>	<b>Defect and Reason for Being Contested</b>	<b>TRC Response</b>
282 289 291 1000	Dirty AC filters  Considered normal wear and tear	Others with less restriction were not written up as defects; the filters identified here were excessively dirty. All four defects stand as is.
279 1009	Multiple engine leaks  Multiple oil leaks written up on engine could be coming from a single location	TRC policy in the past was to group multiple leaks in one location as one because origin of leak difficult to determine. Accepted, multiple defects changed to a single defect for each bus.
198 313 349 382	Moisture in lens  Still passes DOT inspection	TRC has written these defects up in the past as ones that that need to be repaired (sealed). All four defects stand as is.
3019	Cracked AC belt  Normal wear and tear	Cracked belts lead to failure and need to be changed as preventive measure. Defect stands as is.
184 196 286 385	Hazy coolant condition  Based on First Group's Laboratory, ANA Laboratories INC, sample readings indicate no troubles in the test report. Parts per million fall within normal parameters making it difficult to take action on appearance alone. First Transit will continue to test and monitor Coolant at every 6,000 miles and take appropriate action as necessary.	TRC called the lab, which stated that "hazy" refers to a "mild" visual condition, whereas "cloudy," which these samples are not, implies a serious condition. Given that lab does not consider this serious, no other abnormalities were found in these samples, and FT does its own testing with no abnormalities found, the four coolant findings in questions are removed.

## **APPENDIX F – Road Test Protocol**

### **A) Process**

First Transit assigns consistent operator(s) to road test approximately 25% of buses selected for each maintenance audit. The process consists of a TRC inspector accompanying the operator during the road test, asking questions if needed to ensure the operator has not overlooked a defect.

Defects and abnormalities are classified as either:

- Those that in the opinion of the operator would render the vehicle out of service according to PRTC's "Out of Service Defects – While Operating" list (see below).
- Those that would not render the vehicle out of service in the opinion of the operator.

Defects that render the vehicle out of service are then inspected by First Transit with a TRC inspector serving as an observer. First Transit indicates the findings of their investigation to the TRC inspector along with the proposed corrective action (if any). The TRC inspector records this information and gains concurrence from First Transit that the report is accurate. The TRC inspector then adds his observations separately.

All road test defects and reporting are itemized separately in the Audit Report and are not counted or reported with the static defect totals.

### **B) Out of Service Defects – While Operating**

Per the PRTC/First Transit Bus Service Operating Procedures, the following items require the operator to stop the bus as soon as it is safe to do so and contact dispatch. If they occur during a road test, they will be noted as such in the Audit Report.

1. Transmission
  - a. slips
  - b. will not shift
  - c. overheats
2. Engine Problems
  - a. hot engine
  - b. cuts off
  - c. unusual acceleration (e.g., bucks, hesitates, sticking accelerator)
3. Oil System Problems
  - a. Oil light
  - b. Severe oil leak
4. Air System Problems
  - a. No or low air pressure (under 80 psi)
5. Brake System Problems
  - a. Hot brakes or wheels
  - b. Slack brakes



6. Fuel leak or smell
7. Excessive steering condition
8. Exhaust fumes leaking into bus (obvious smell)
9. Inoperative defroster system
10. Flat tire(s)
11. Inoperative windshield wiper(s)
12. Any other defect rendering the vehicle unsafe to operate