

**Metropolitan Transportation Commission
Administration Committee**

September 13, 2023

Agenda Item 2b - 23-1083

Contract – Transportation Development Act (TDA) Performance Monitoring: Pierlott & Associates, LLC (\$340,372)

Subject:

Request for approval of a contract with Pierlott & Associates, LLC in an amount not to exceed \$340,372 to conduct Transportation Development Act (TDA) performance audits of MTC and Bay Area transit operators .

Background:

California Public Utilities Code Section 99246 requires that transportation planning agencies, such as MTC, designate independent entities to conduct performance audits of their activities and of the activities of each transit operator to whom they allocate funds under Article 4 of the TDA. The purpose of the audits is to systematically evaluate the efficiency, effectiveness, and economy of the operation of the entity being audited. While TDA audits were typically completed in a triennial cycle, with approximately 1/3 of operators audited each year, the audits were suspended during the Covid-19 pandemic. To compensate for the lapsed audits and to resume an appropriate audit schedule, this contract will cover the audit of MTC and all transit operators for a three fiscal-year period. At MTC’s sole discretion, the contractor may be requested to complete the next cycle of audits, subject to contract and budget amendment processes.

Procurement Process:

A Request for Proposals (RFP) was posted on June 1, 2023 to provide services through December 31, 2024, with an option to extend for five (5) additional years in increments of MTC’s choosing. The RFP was emailed to over 3,700 firms. MTC received two (2) proposals from the following firms:

- Pierlott & Associates, LLC, Pennsauken, NJ
- Whitehouse Group INC, Fort Lauderdale, FL

A review panel of three MTC staff evaluated the proposals based on the following evaluation criteria specified in the RFP:

1. Technical Expertise - Demonstrated knowledge and expertise with Regional Transportation Planning Agency (RTPA), Metropolitan Planning Organization (MPO) and transit operator best practices related to performance by public planning and/or transit operating organizations in the transportation field. (45%)
2. Project Team/Firm Evaluation - Qualifications and experience of firm and project team related to the audit of Regional Transportation Planning Agency (RTPA), Metropolitan Planning Organization (MPO) and transit operator performance. (20%)
3. Presentation based on written proposal and discussions, if held. (10%)
4. Cost effectiveness, including reasonableness of hourly rates in relation to the quality and expertise of the personnel proposed, and appropriateness of preliminary task budget. (25%)

The evaluation panel is recommending the proposal submitted by Pierlott & Associates, LLC for award, as it received the highest evaluation score of 95 out of a possible 100 points. The evaluation panel determined that the Pierlott & Associates, LLC proposal demonstrated substantial experience and expertise in TDA audits; provided precise work plans and an appropriate approach to administering the TDA compliance and functional audits of transit operators, Regional Measure 2 and Regional Measure 3 performance reviews.

Funds available for this work are included in the FY 2023-24 agency budget. Funds for additional work are subject to the budgeting processes of those respective fiscal years. Pierlott & Associates, LLC is neither a Disadvantaged Business Enterprise (DBE) nor a Small Business Enterprise (SBE).

Issues:

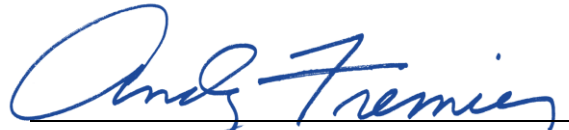
None identified.

Recommendations:

Staff recommends that the Committee authorize the Executive Director or designee to negotiate and enter into a contract with Pierlott & Associations, LLC for the work described above, in an amount not to exceed \$340,372.

Attachments:

- Request for Committee Approval - Summary of Proposed Contract



Andrew B. Premier

Request for Committee Approval

Summary of Proposed Contract Amendment

Work Item No.: 1514

Consultant: Pierlott & Associates, LLC (Pennsauken, NJ)

Work Project Title: MTC Transit Performance Monitoring Program

Purpose of Project: Perform legally-required audits of various MTC projects and perform other performance review professional services, as needed.

Brief Scope of Work: Triennial Audit of MTC and of the Transit Operators for three fiscal years
Deliverables include an audit plan, draft and final reports for a detailed audit of MTC and transit operators.

Project Cost Not to Exceed: \$340,372

Funding Source: TDA

Fiscal Impact: Funding is included in the FY 2023-24 MTC Budget. Options to extend the TDA audit scope for five (5) additional years, as well as options to advance RM2 and RM3 audits will be subject to MTC budget approval and contract amendment processes.

Motion by Committee: That the Executive Director or designee is authorized to enter into a contract with Pierlott & Associations, LLC to provide audit services described above and in the Administration Committee Summary Sheet dated September 13, 2023, in an amount not to exceed \$340,372 and that the Chief Financial Officer is authorized to set aside funds for such contract.

Administration Committee:

Gina Papan, Chair

Approved: September 13, 2023