



March 20, 2023

Juan Portillo, Transit Manager
City of Manteca City Clerk
1001 W. Center Street
Manteca, CA 95337

RE: Best and Final Offer; City of Manteca RFP for Transit Operations Contract Services

Dear Mr. Portillo,

MTM Transit appreciates the opportunity to provide a Best and Final Offer (BAFO) and clarifications regarding our proposal for managing Manteca Transit operations. Below, please find the responses to each of the City's questions. We have also attached our revised pricing proposal which reflects the modifications outlined below.

1. TECHNOLOGY TIMELINE

Confirm all technology in proposal will be installed, implemented and fully operational on all City-owned revenue vehicles by 7/01/2023.

MTM Transit can confirm that all technology in the proposal will be installed, implemented, and fully operational on all City-owned revenue vehicles by July 1, 2023. This includes the Reveal system, idrive cameras, and AssetWorks Fleet Focus maintenance software. We are also excited to deploy the new mobile application for passengers; the app is in the final stages of development now, and following testing and quality reviews, will be launched in early 2024.

2. MAINTENANCE VENDOR OVERSIGHT

Please explain and provide plans on how maintenance manager, Adam Perrieria will be overseeing, supporting and educating Sunshine Care Auto, Inc on the maintenance of future City-owned zero emission vehicles.

Maintenance Manager Adam Perrieria will provide oversight of all maintenance activities, including those performed by our vendor Sunshine Auto Care, Inc., and any other maintenance vendor that is used during the term of the contract.



Adam will receive vehicle specific training from the manufacturer to perform inspections, basic repairs, and maintenance sufficient to educate our vendor on vehicle specifics and to provide support and quality control oversight of our maintenance vendor. Adam will work closely with our vendor, providing oversight and expertise to ensure all repairs align with manufacturer guidelines and standards.

When troubleshooting problems, Adam will coordinate communication between the manufacturer and our vendor to ensure all repairs are performed properly. Adam will monitor technical service bulletins and routinely provide updates to our vendor. All activities will be well documented within the AssetWorks maintenance software, reviewed for trending issues, and shared with our vendor for educational purposes and improvements. Adam will also regularly audit the performance of Sunshine Auto Care and perform scheduled and unscheduled in-person facility inspections.

MTM Transit has also been preparing for California's Zero Emission Bus (ZEB) requirements. Regional Director of Maintenance Joe Sullivan attended an in-depth training course at the New Flyer Vehicle Innovation Center to learn about the latest EV bus technology and how to best support our customers on their path to zero emissions. Joe will help Adam navigate the new requirements and send him for additional training as appropriate. Whether evaluating new vehicles or developing plans for charging infrastructure, we aim to be a resource for the City in the process of meeting California's ZEB requirements.

Specifically relating to our proposed vendor Sunshine Auto Care, we have discussed their capabilities and plans for accommodating heavy duty electric vehicle maintenance. Sunshine Auto Care is working on the installation of two electric charging stations at their facility and have plans in place to provide full heavy-duty electric vehicle service soon. If they are unable to perform maintenance on electric vehicles by the time they are introduced in the Manteca Transit program, we will identify an alternate vendor or explore options to take the service in house. Currently, there are no heavy-duty electric vehicle capable maintenance vendors within the ten-mile radius required by this contract, but we anticipate that Sunshine Auto Care and other local vendors will introduce the service as demand increases.

MTM Transit will ensure Sunshine Auto Care, or any other future vendor, has obtained the proper qualifications and equipment to perform maintenance on ZEB vehicles prior to allowing them to service the future Manteca ZEB fleet. MTM and our vendor will seek ongoing training to stay current with ZEB vehicles and new technology.



3. MISCELLANEOUS COSTS

Miscellaneous Costs proposed are considerably higher than in other proposals. Please explain, justify and/or modify.

Within the Miscellaneous Cost category on the pricing page, we included a variety of items and costs that did not align with other line items on the pricing page. This line item served as a “catchall” for costs such as:

- Travel expenses for local management staff
- IT operating costs (equipment maintenance, push to talk data, phones, internet, etc.)
- Reveal software
- Idrive camera system
- AssetWorks Fleet Focus maintenance software
- Secret Rider program costs
- Labor relations costs and support

Other bidders may have placed some of these costs in other areas of the pricing pages, making our Miscellaneous Costs appear higher in comparison. Although we believe these expenses to be in line with the solutions we are offering for the program, within our attached BAFO pricing, we carefully reviewed each of these cost categories and made reductions where we could to demonstrate our desire to partner with the City of Manteca.

4. PRICE ADJUSTMENTS

Is there anything you can do to make your price more competitive?

We believe we put our best pricing forward on our initial bid, as we spent significant time to ensure it was competitively priced. For example, although the Questions and Answers for this procurement indicated 8% deadhead for the fixed route, we proactively lowered that based on our understanding that vehicles will be parked and stored at the City’s Corporate Yard which is in close proximity to the Transit Center and our maintenance vendor’s facility. Additionally, we worked very closely with the Union to agree on operator wages that are above the current CBA and the RFP minimum, but that will be required to maintain labor harmony and prevent unexpected increases or work stoppages in the future.

The modifications outlined in this document and within our BAFO pricing pages offer cost savings to the program without sacrificing the value or quality of service we originally proposed,



and without lowering any wages in our staffing plan. After carefully reviewing each line item in our pricing, we made modifications to several items within our miscellaneous cost categories. We hope that these modifications demonstrate our desire to partner with the City and our efforts to lower costs wherever possible in a responsible manner.

5. MAINTENANCE AGREEMENT

Confirm acceptance of following: Sunshine Auto Inc. services will be on a six-month trial period while MTM and City assesses their performance and suitability. City reserves right to request the removal and replacement of a new outsourced maintenance facility or to bring the services in house to MTM.

Yes, MTM agrees to use Sunshine Auto Care on a six-month trial basis and, if necessary, to work with the City on an alternate plan at the City's request. Depending on the nature any new arrangement that should be made, we ask the City to allow us to make a price adjustment if appropriate. For example, if an alternative maintenance vendor's costs are higher and outside our budget, or if we need to establish a new facility and procure equipment and hire staff, we would need to agree on a revised budget based on those changes.

SUMMARY

MTM Transit carefully reviewed and addressed each of the City's BAFO concerns, provided detailed responses, and made thoughtful adjustments in our BAFO pricing. The result is a responsible and sustainable budget that provides cost savings to the City without sacrificing the level of quality promised in our original proposal. As a collaborative partner, MTM Transit is always willing to meet, discuss, and make further changes as needed.

The City may continue to communicate with Vice President of Proposals Amy Ritchie regarding the proposal and contract negotiations. Amy can be reached at aritchie@mtm-inc.net or 636-695-5634; please feel free to contact her with any questions. On behalf of MTM Transit, I look forward to working with the City.

Sincerely,

A handwritten signature in blue ink that reads "Alaina Macia".

Alaina Macia, President and CEO

Phone: 314-495-4953 | Email: amacia@mtm-inc.net

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	Base Year 1 July 1, 2023 - June 30, 2024	Base Year 2 July 1, 2024 - June 30, 2025	Base Year 3 July 1, 2025 - June 30, 2026	July 1, 2026 - June 30, 2027 (Extension)	July 1, 2027 - June 30, 2028 (Extension)
Fixed Monthly Cost	93,713.41	95,500.79	97,898.33	111,173.73	114,364.97
Rate Per Revenue Hour**	58.07	59.61	61.41	54.32	55.70
TOTAL PRICE	2,251,073.84	2,302,458.02	2,366,098.61	3,167,332.07	3,252,402.30

**City provides 100% of transit fleet

PROJECTED VEHICLE REVENUE HOURS*	July 1, 2023 - June 30, 2024	July 1, 2024 - June 30, 2025	July 1, 2025 - June 30, 2026	July 1, 2023 - June 30, 2024	July 1, 2024 - June 30, 2025
Fixed Route Vehicle Hours	15,000 +/- 15%	15,000 +/- 15%	15,000 +/- 15%	25,000 +/- 15%	25,000 +/- 15%
Paratransit Vehicle Hours	4,400 +/- 15%	4,400 +/- 15%	4,400 +/- 15%	8,750 +/- 15%	8,750 +/- 15%

*Actual hours may vary based on implementation of Short Range Transit Plan

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Costs	Year 1		Year 2		Year 3		Year 4 (Extension)		Year 5 (Extension)	
	July 1, 2023 - June 30, 2024		July 1, 2024 - June 30, 2025		July 1, 2025 - June 30, 2026		July 1, 2026 - June 30, 2027		July 1, 2027 - June 30, 2028	
	Fixed	Variable	Fixed	Variable	Fixed	Variable	Fixed	Variable	Fixed	Variable
A. Salaries and Wages										
1. Management	300,000.00		309,000.00		318,270.00		327,818.10		337,652.64	
2. Supervisors/Dispatchers	175,240.00		180,497.20		185,912.12		298,314.47		307,263.91	
3. Support Staff	0.00		0.00		0.00		0.00		0.00	
4. Maintenance Staff	46,800.00		48,204.00		49,650.12		51,139.62		52,673.81	
5. Drivers		647,176.19		664,729.09		680,804.36		1,066,878.47		1,101,986.96
6. Drivers: Training and Non-Revenue		75,332.79		76,280.50		80,326.03		133,935.65		139,558.71
B. Payroll Taxes and Fringe Benefits										
1. Management	56,666.00		59,566.10		62,651.78		65,936.50		69,434.75	
2. Supervisors/Dispatchers	39,405.19		41,572.01		43,886.03		75,351.08		79,704.61	
3. Support Staff	0.00		0.00		0.00		0.00		0.00	
4. Maintenance Staff	13,459.20		14,234.77		15,064.20		15,951.56		16,901.24	
5. Workers Compensation: Staff	14,984.00		15,208.76		15,440.26		19,424.71		19,670.31	
6. Workers Compensation: Drivers	55,734.77		56,073.17		56,473.04		79,778.41		81,576.55	
7. Drivers		120,712.47		124,073.53		127,395.78		194,707.14		203,030.03
8. Drivers: Training and Non-Revenue		9,667.16		9,969.98		10,692.73		19,516.58		20,683.44
C. Facility Expense										
1. Rent	0.00		0.00		0.00		0.00		0.00	
2. Utilities	0.00		0.00		0.00		0.00		0.00	
3. Phone	0.00		0.00		0.00		0.00		0.00	
4. Facility Maintenance	0.00		0.00		0.00		0.00		0.00	
D. Office Expenses										
1. Office equipment lease/amortization	0.00		0.00		0.00		0.00		0.00	
2. Office Supplies	3,840.00		3,897.60		3,956.06		4,015.40		4,075.64	
3. Printing/copying	0.00		0.00		0.00		0.00		0.00	
E. Insurance Expense										
1. General Liability	2,500.00		2,537.50		2,575.56		2,614.20		2,653.41	
2. Vehicle Liability	66,000.00		66,990.00		67,994.85		69,014.77		70,049.99	
3. Performance Bond	0.00		0.00		0.00		0.00		0.00	
4. Licenses	0.00		0.00		0.00		0.00		0.00	
F. Maintenance Expense										
1. Parts		24,070.98		25,933.48		27,839.19		33,648.42		31,054.24
2. Tires		17,193.56		18,523.91		19,885.14		24,034.58		22,181.60
3. Supplies and Materials		84,773.60		88,128.82		91,581.72		118,135.61		113,573.22
G. Vehicle Cleaning Expense										
1. Vehicle cleaning expense		24,000.00		24,360.00		24,725.40		43,385.43		44,036.21
H. Equipment Purchase/Depreciation										
1. Vehicles	15,000.00		15,000.00		15,000.00		15,000.00		15,000.00	
2. Maintenance Equipment	0.00		0.00		0.00		0.00		0.00	
3. Office Equipment	4,419.00		4,459.79		4,500.57		4,541.36		4,582.14	
I. Miscellaneous Expense										
1. Employee miscellaneous	0.00	4,870.28	0.00	8,365.92	0.00	8,491.41	0.00	14,899.79	0.00	15,123.29
2. Maintenance miscellaneous		0.00		0.00		0.00		0.00		0.00
3. Other miscellaneous	145,581.20	432.00	147,314.92	438.48	149,074.64	445.06	171,776.08	780.94	173,902.72	792.65
J. Startup Expense										
1. (include detail in proposal write-up)	66,852.69	0.00	66,852.69	0.00	66,852.69	0.00	0.00	0.00	0.00	0.00

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K. Profit and Overhead										
1. Overhead	73,096.46	73,223.34	68,760.57	69,386.91	70,486.80	71,479.12	80,045.08	109,994.84	82,342.78	112,801.36
2. Profit	44,982.44	45,060.52	45,840.38	46,257.94	46,991.20	47,652.75	53,363.39	73,329.89	54,895.19	75,200.90
Total Fixed Cost	1,124,560.95		1,146,009.46		1,174,779.92		1,334,084.73		1,372,379.69	
Total Variable Cost		58.07		59.61		61.41		54.32		55.70
TOTAL PROJECT COST	2,251,073.84		2,302,458.02		2,366,098.61		3,167,332.07		3,252,402.30	

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Item #	Item Description	Proposed Start-up Cost
1	Office Supplies	\$2,500.00
2	Operator Uniforms	\$3,937.50
3	Relocation Costs	\$10,000.00
4	Training Costs	\$2,810.00
5	Wage/benefit Costs	\$83,084.78
6	Insurance	\$2,322.37
7	Inventory set-up costs	\$50,327.00
8	Leasehold improvements	\$0.00
9	Corporate support/profit	\$30,000.00
10	Recruitment Expenses	\$6,200.42
11	Recruitment Bonuses	\$0.00
12	Outside trainer lodging/travel	\$4,576.00
13	Storm Water Pollution Prevention Plan and Spill Preven	\$4,800.00
14		
15	Other Miscellaneous Expenses (describe below)	
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
TOTAL:		\$200,558.07

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Job Classifications	Year 1 7/1/2023 - 6/30/2024		Year 2 7/1/2024 - 6/30/2025		Year 3 7/1/2025 - 6/30/2026		Year 4 7/1/2026 - 6/30/2027		Year 5 7/1/2027 - 6/30/2028	
	FTE	Scale	FTE	Scale	FTE	Scale	FTE	Scale	FTE	Scale
Drivers	2.00	\$22.00	2.63	\$22.66	2.77	\$23.34	12.25	\$24.04	7.35	\$24.76
Drivers	0.68	\$22.40	1.00	\$23.07	1.31	\$23.76	1.39	\$24.48	6.12	\$25.21
Drivers	1.32	\$23.01	0.51	\$23.70	0.75	\$24.41	0.99	\$25.14	1.04	\$25.90
Drivers	0.96	\$23.86	1.06	\$24.58	0.41	\$25.31	0.60	\$26.07	0.79	\$26.85
Drivers	1.77	\$24.95	0.77	\$25.70	0.84	\$26.47	0.33	\$27.26	0.48	\$28.08
Drivers	6.27	\$26.34	7.04	\$27.13	6.91	\$27.94	7.07	\$28.78	3.86	\$29.65
Dispatchers/Supervisors	3.00	\$24.17	3.00	\$24.89	3.00	\$25.64	5.00	\$26.41	5.00	\$27.20
General Manager	1.00	\$120,000.00	1.00	\$123,600.00	1.00	\$127,308.00	1.00	\$131,127.24	1.00	\$135,061.06
Office/Clerical Staff	2.00	\$90,000.00	2.00	\$92,700.00	2.00	\$95,481.00	2.00	\$98,345.43	2.00	\$101,295.79
Trainers										
Utility Staff	1.00	\$22.50	1.00	\$23.18	1.00	\$23.87	1.00	\$24.59	1.00	\$25.32
Off-Site Personnel*										
Total FTEs	20.00		20.00		20.00		31.62		28.63	

Please list all benefits a full-time employee will be eligible to receive based on the terms of your price proposal. Include the time frame at which an employee is eligible to receive such benefits.

Please see [Section 8. Employee Work Rules and Benefits Package](#) in the technical response.

*Please explain and justify any off-site personnel included in the price proposal.

ATTACHMENT 4

Job Classifications	Year 1 7/1/2023 - 6/30/2024		Year 2 7/1/2024 - 6/30/2025		Year 3 7/1/2025 - 6/30/2026		Year 4 7/1/2026 - 6/30/2027		Year 5 7/1/2027 - 6/30/2028	
	FTE	Scale	FTE	Scale	FTE	Scale	FTE	Scale	FTE	Scale
Drivers										
Drivers										
Drivers										
Drivers										
Dispatchers/Supervisors	1.00	\$23.50	1.00	\$24.21	1.00	\$24.93	1.00	\$25.68	1.00	\$26.45
General Manager										
Office/Clerical Staff										
Trainers										
Utility Staff										
Off-Site Personnel*										
Total FTEs	1.00		1.00		1.00		1.00		1.00	

Please list all benefits a full-time employee will be eligible to receive based on the terms of your price proposal. Include the time frame at which an employee is eligible to receive such benefits.

Please see [Section 8. Employee Work Rules and Benefits Package](#) in the technical response.

*Please explain and justify any off-site personnel included in the price proposal.