



BPS TRANSPORTATION OPERATOR CONTRACT

Boston School Committee

Agenda

- Contract Overview
- Contract Extension

Transdev has served as the BPS Transportation Vendor since 2013

- Known as Veolia at the time, Transdev began a **five-year contract with BPS on July 1, 2013**
- First Student (the incumbent) and two other bidders sought the contract through a **competitive bidding process**
 - Transdev's bid was **\$2M+ less expensive per year** than the next-closest qualified bidder
- The five-year contract included **five one-year options for renewal**, exercised at the City's discretion
 - We executed the second option last year
 - The third of those options would be for July 1, 2020 to June 30, 2021

We are here today asking for your approval of our intent to award Transdev with the second of these extension options.

Our decision to extend Transdev is based on multiple factors

- **The availability of national contractors** to take on the work we have in Boston is **severely limited**, likely more so than in 2013
- **The likelihood of another vendor bidding the work** at less than Transdev's rate is **extremely low**
 - Not awarding the work to Transdev could lead to **cost increases of \$2M+**, in addition to various startup costs
 - Transdev's **current management fee of ~\$3.06M is only about \$300K higher than the fee paid to First Student in 2004***
 - **Districts with options for renewal seldom choose to go to market** unless they are certain of lower fees
- The department is committed to **holding Transdev accountable** through the use of a **stronger performance management system**
 - We have **formalized a set of metrics** to be reviewed regularly to **measure the performance** of all aspects of the operation including operations, safety, maintenance, human resources, etc.
- BPSDOT has hired a **Fleet and Compliance Manager** whose role is to **improve Transdev performance**, with an immediate focus on bus on-time performance and enhancing customer service to students and schools

*We estimate Transdev's FY20 management fee to be \$3.13M

Performance Metrics

Transdev Department	Metric
Operations	Bus Yard Departure Rate
Operations	On-time Performance
Safety	Average number of miles between accidents
Safety	Average length of time to retrain an employee
Maintenance	# of bus breakdowns per school day
Maintenance	Average length of time a bus is out of service
Human Resources	Average number of available drivers daily
Human Resources	Average length of time of driver suspension

These metrics will be reviewed monthly. Immediately upon identification of low performance, more frequent and detailed follow-up meetings and action plans will be mandated. Transdev will be expected to bring forth improvement plans and report on progress made until the metrics improve.