To: Chairman Milde and the VRE Operations Board

From: Doug Allen

Date: July 18, 2014

Re: Authorization to Award a Contract for Heavy Interior Cleaning of Passenger Railcars

Recommendation:

The VRE Operations Board is being asked to authorize the Chief Executive Officer to execute a contract with ServiceMaster Preferred Services of Woodbridge, VA for heavy interior cleaning of passenger railcars in the amount of $573,624, plus a 10% contingency of $57,362, for a total amount not to exceed $630,986, for a base year and two option years, with the CEO exercising the option years at his discretion.

Background:

On April 18, 2014, the VRE Operations Board approved a request to issue a Request for Proposals (RFP) for intensive interior cleaning of passenger railcars to supplement regular, daily cleaning.

In accordance with VRE Public Procurement Policies and Procedures, it was appropriate to utilize an RFP as a method of procurement for this solicitation because there are different approaches to the desired service and an evaluation of technical merit is thus required. There is a greater performance risk for this service and, therefore, price is less important and the technical or past performance considerations figured more heavily in the selection.

Specifically, the requirements for the cleaning of rail cars are unique and differ from the cleaning of other commercial facilities. Great care must be taken to remove seats for thorough cleaning as well as to not damage windows or engineer’s controls in the cab cars. Therefore, the approach to cleaning these elements must be evaluated to ensure cleaning is performed in a manner which not only presents a professional appearance, but which also avoids damage to VRE property.
A mailing list of fifteen prospective Offerors was established for the solicitation to ensure access to adequate sources of services. On May 2, 2014, an RFP was issued and Proposals were due on June 2, 2014. Three responses were received.

Evaluation of the Proposals received was performed by the Technical Evaluation Team (TET), which consisted of three VRE staff members.

The TET met to discuss and evaluate the Proposals using the following criteria:

- Demonstrated experience and knowledge capabilities of the firm related to cleaning commercial facilities.
- Demonstrated experience and knowledge capabilities of the firm related to cleaning passenger rail cars.
- Overall project approach and management plan for the execution of cleaning rail cars twice per year (Spring and Fall).
- Price and value of cost proposal.

Interviews were conducted with all Offerors. Following the interview process, it was determined that the Proposal from ServiceMaster Preferred Services was technically compliant and unanimously selected to be the best value for the project.

Below is the final ranking of firms who submitted a proposal for heavy interior cleaning of passenger rail cars.

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<th>Offeror</th>
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<tr>
<td>1. ServiceMaster Preferred Services of Woodbridge, Virginia</td>
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<tr>
<td>2. Fresh Air Duct Cleaning, LLC of Capitol Heights, Maryland</td>
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<td>3. Hallcon Corporation of Toronto, Canada</td>
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ServiceMaster Preferred Services previously performed heavy interior cleaning of VRE’s railcars from October 2008 to May 2013 as part of two previous contracts and subsequently completed cleaning services in Fall 2013 under a Purchase Order.

ServiceMaster Preferred Services’ pricing is within approximately 5% of the cost estimate for this contract, which was developed based on historical pricing and is, therefore, considered fair and reasonable. Complete pricing information may not be publically disclosed until after execution of a contract.

The contract will be for a base year and two option years, with the VRE CEO exercising the option years at his discretion. This authorization allows work to begin.
Fiscal Impact:

The FY 2015 budget for equipment operations includes a budget amount of $220,845 for the first year of this activity, which exceeds the cost of the contract for the first year ($630,986/3 = $210,329). Funding for future years will be included in subsequent annual operating budgets.
Virginia Railway Express
Operations Board

Resolution
9B-07-2014

Authorization to Award a Contract for Heavy Interior Cleaning of Passenger Railcars

WHEREAS, VRE has a need for interior cleaning of passenger railcars in order to maintain a state of good repair and a positive customer image; and,

WHEREAS, the VRE Operations Board authorized the issuance of a Request for Proposals on April 18, 2014; and,

WHEREAS, three Proposals were received and it was determined by the Technical Evaluation Team that ServiceMaster Preferred Services provided a responsive and responsible Proposal for interior cleaning of passenger railcars.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with ServiceMaster Preferred Services of Woodbridge, VA for heavy interior cleaning of passenger railcars in the amount of $573,624, plus a 10% contingency of $57,362, for a total amount not to exceed $630,986, for a base year and two option years, with the Chief Executive Officer exercising the option years at his discretion.

Approved this 18th day of July 2014

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Paul Milde
Chairman

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Gary Skinner
Secretary