



To: Capital Metro Board of Directors

CC: Randy Clarke, President & CEO

From: Terry Follmer, VP of Internal Audit

Date: July 15, 2019

Subject: Internal Audit Department's observations of the vendor selection process for Contracted Bus Operations and Maintenance Services (RFP 304769)

Over the last 8 months I have been participating as an independent observer of the vendor selection process related to the proposed Contracted Bus Operations and Maintenance Services (CBOM) contract. The Procurement Department proactively reached out to me last year requesting my participation and feedback on the procurement process. During the vendor solicitation and selection process, I have been invited to all of the key meetings including the oral interviews of the vendors to discuss their proposals and the separate meetings to discuss the evaluation members individual technical and pricing ratings. The purpose of this memo is to summarize my observations related to the vendor selection process.

My goal as an independent observer of the CBOM vendor selection process was to ensure that a fair and equitable vendor selection process plan was established and executed in compliance with Capital Metro policies. The Director of Procurement and I had multiple conversations on this topic before the Request for Proposal (RFP) was issued on 12/13/2018 and throughout the lifecycle leading up to the 7/29/2019 Board meeting. I have concluded that the process was planned and executed with the following qualities: thorough and complete vendor solicitation and evaluation process; fair and equitable treatment of both the vendors and Capital Metro evaluation team members; all parties to this process were given ample time to ask questions and respond; and the support from Texas A&M Transportation Institute was invaluable and provided another layer of value added analysis and quality control. Throughout this process I was allowed access to all records and meetings, and my questions were appropriately addressed.

Based upon my review and observations, I do not have any concerns related to the vendor selection process and the Capital Metro's evaluation team's unanimous decision to award the contract to MV Transportation. In my opinion, MV's proposal represents the best value to Capital Metro. Please let me know if you have any questions or if there are additional actions you would like for me to take related to this matter.

Sincerely,

Terry Follmer, VP of Internal Audit