

ATTACHMENT A

PSI CONTRACT 30004833

SCOPE OF WORK

AMENDMENT 3

1. TECHNICAL SERVICES AND SCHEDULE: The Contractor will perform the tasks listed below for this project. Operations Assistance includes tasks as defined in the Master Agreement that are categorized into eight major service areas. **The eight major service areas requested from the Operations Assistance service provider (“Contractor”) are:**

A. Private Sector Engagement and Strategy

- Convene a Board of private sector and community stakeholders to represent the needs of the Central City and the City as a whole to encourage strong public-private coordination toward Streetcar’s effective use as a tool to meet the City’s transportation, development, sustainability and equity goals.
- Provide an Executive Director to lead and advocate for public streetcar service within the community; to lead discussions and facilitate resource allocation and budget development between City and TriMet; and to represent Portland Streetcar at public forums and with elected officials.
- The Executive Director’s role shall be to maintain a transparent and accessible presence within the Portland community, interacting with business groups, property owners, community organizations and government agencies. Areas of responsibility include Streetcar service, policies, budgets, grant applications, development of funding strategies and proposals, and managing a board with business and community representatives as well as advocates with transit related expertise.
- Communicate Streetcar’s performance standing and system needs to regional transportation and land use leaders including regular presentations and meetings with members of Portland City Council, TriMet, Metro, JPACT/TPAC and others as necessary.
- The Executive Direction shall be responsible for consistent and clear communications with the City to include regular check ins.
- The Executive Director shall take a lead role in assessing private sector interest in developing and financially supporting any future expansions or capital improvements to the Portland Streetcar system.
- The Executive Director shall represent Portland Streetcar Inc. at PEG (Permanent Executive Group, as defined by the City/TriMet Master Agreement) meetings and in PEG coordination process with the City of Portland and TriMet.
- Provide venues for public engagement including but not limited to support for volunteer advocacy groups (such as the recently formed Friends of Portland Streetcar), board sub-committees, web-based engagement, and presentations to community organizations and neighborhood and business associations.
- Manage and lead tours of Portland Streetcar.

B. Service planning and Scenario Development

- Initiate and lead transit operations service scenario discussions and development by assembling City and TriMet technical and management staff. Provide planning, budget estimating and documentation of options for consideration by the City and the PEG. Scenarios include service schedule options considering frequency, demand, cost and available resources.
- Provide analysis and make recommendations for fare rates taking into account the needs of the system and community and considering equity, social justice, and environmental sustainability.
- At least twice per year, in spring and fall, convene Streetcar Division Manager or designee and TriMet technical staff to review existing service schedules, forecast future schedules and develop scenarios for consideration by the City's Management Team.
- Assemble and summarize existing long-term capital needs in support of future service delivery, identifying estimated costs, expected benefits, and possible funding sources in partnership with and in support of PBOT's Asset Management Team.
- Monitor local, state and federal grant opportunities to identify potential funding sources for City consideration to address operational and capital needs. Lead strategic funding planning and proposal development for those grants.
- Provide service and budget recommendations to the Streetcar Division Manager, PBOT Director and the PEG.

C. Customer Service

- Lead communications and public engagement through strategies such as; media relations, social media presence, website management, public meetings, presentations for community groups (neighborhood associations, advisory committees, etc.), publication of annual report, and publication of data and statistics for ridership, demographics, development and other metrics. Communications and website must be compliant to all applicable federal, state, and local regulations.
- Coordinate with TriMet and PBOT public information officers to ensure consistent messaging during service disruptions, extreme weather events, disaster declarations or other emergencies.
- Provide staff or contracted support for Federal Transit Administration (FTA) COVID Research grant deliverables – including Rider Advocates and public health/information to support riders during the COVID-19 public health emergency.
- Provide in-person customer service on-board vehicles and at stops including conducting rider surveys, posting rider information on vehicles and shelters, managing crowds for events (races, parades, etc.), and otherwise assisting riders and the traveling public with wayfinding and information.
- Provide a customer service office for walk-in, phone, and e-mail customers wishing to buy tickets, consider a sponsorship, ask a question or make a complaint regarding service. This office must be a storefront located along the existing Portland Streetcar service line, be ADA accessible, and be staffed and open Monday – Friday, between the hours 9:00 A.M. to 4:00

P.M. A location along both the A/B Loops and NS lines is preferred. Respond to customer calls within 48 hours, 24 hours preferred, Monday through Friday.

- Provide meeting and office space for use by City of Portland Streetcar staff as needed.
- Provide an operator relief point, which may be co-located with or separate from the customer service office, located along the existing Portland Streetcar service line. The location must be within one block of both the A/B Loops and the NS lines. Said relief point will consist of a break room with a minimum capacity for 6 people, an accessible restroom, and a kitchenette (sink, counter, microwave, electrical outlets). Furnishings must include table/counter space and chairs.
- If requested, provide administrative support staff for Streetcar operations.
- Provide quarterly and annual summaries of customer compliments, complaints and questions regarding Portland Streetcar service and operations and responsiveness to City Council queries about customer interactions on an as-needed basis.
- Coordinate with the City of Portland Streetcar staff and the City's Office of Risk Management in gathering data for response to risk claims in a timely manner.

D. Sponsorship & Marketing

- Generate income to support system operations by creating partnerships with local businesses and offering sponsorship opportunities. Types of sponsorships include Streetcar vehicles and shelters, printed maps ("Off the Rails", "Rainy Day Guide", etc.), events (Mobile Music Fest, etc.), and tours ("Portland by Streetcar" App, etc.).
- Generate at least \$300,000 per fiscal year (July 1 – June 30) in sponsorship or advertising revenue to support the operations of Portland Streetcar.
- Manage a request for proposal (RFP) procurement process for an outside vendor to support Contractor with advertising on streetcar vehicles on behalf of the City of Portland. Revenues generated by advertising and sponsorship programs are to be used to fund a portion of Contractor's activities as identified in Exhibit B – Budget and support City Streetcar Operations. Contractor and City shall negotiate financial terms, accounting processes and message/material review if a vendor is selected and the parties desire to enter into a multi-year contract.
- Review and report on the existing sponsorship program, noting the number and percent of streetcar vehicles, stops, and which are sponsored and the average amount obtained annually from each.
- Recommend improvements and additions to the existing sponsorship and advertising program.
- Contractor shall provide periodic reports to the Board regarding collection, management and expenditure of sponsorship revenue.
- Coordinate community programs such as the current "Art on Board" Program which aims at elevating the voices and work of artists in the local community - specifically those voices from BIPOC, LGBTQ, and other historically marginalized populations.
- Manage the procurement and installation of improved customer-facing signage per the FTA COVID Research demonstration project (improved signage at up to 25 platforms).

- Identify and advance ways that Portland Streetcar can be marketed to new and existing customers as part of the regional public transit system with TriMet, C-TRAN and Portland Tram.
- Participate in marketing and public information specialist meetings with TriMet, C-TRAN and Portland Tram.
- Coordinate with TriMet regarding electronic fare payment integration strategies and opportunities.

E. Communications

- Develop an annual communication plan, reviewed and approved by the City.
- Respond to all media contacts, coordinating, informing and alerting City and TriMet PIOs per the City's Streetcar media protocol.
- Maintain an active social media presence and provide customers with updates on service disruptions and changes 24 hours a day, 365 days a year.
- Manage the "Portland Streetcar" brand and image including updates to signage, materials, or web-based assets as needed and agreed upon with City staff.
- Manage nationwide relationships with other streetcar cities through leadership in the Community Streetcar Coalition, American Public Transit Association and other groups. Ensure Portland's successes are shared broadly through these national coalitions to influence national lawmakers and federal decision-makers.
- As needed, provide public outreach and engagement related to new streetcar capital projects. Provide timely support in information and coordination with any new capital projects. Contractor and City will work to cover these expenses via capital project budgets as feasible.

F. Annual Performance Reporting

- Perform annual maintenance surveys, counts and report(s) as needed to provide to the FTA for continuing use of the Automatic Passenger Counters (APCs).
- Review the current data collection sources and methods for annual National Transit Database (NTD) reporting and provide recommendations for efficiencies and improvements.
- Collect, analyze and provide data to report annually to NTD in a format and method for annual reporting requirements.
- Collect, analyze and provide data to report monthly to the NTD on Ridership.
- Provide an annual report to City Council on the status of Portland Streetcar Operations, including current budget, anticipated changes, and a summary of key performance measures for ridership, fare revenue, sponsorship revenue, cost to operate per revenue hour and development.
- Provide monthly reporting of key performance measures for ridership, fare revenue, sponsorship revenue, incidents and collisions.
- Respond in a timely manner to independent third party audits and City audits.
- Manage data collection, research and publication of findings for FTA COVID Research project.

G. Oversee Implementation of Master Agreement with TriMet and Regional Partners

- Act as the Operating Entity described in the Intergovernmental Agreement approved by City Council in 2012 and fulfill the responsibilities outlined therein.
- In the role of Operating Entity – act as an initial point of contact for all Streetcar related matters as agreed upon with City staff. This includes community and customer relations and responding to inquiries from TriMet, Metro, ODOT, Multnomah County and others to ensure issues are communicated to and resolved by appropriate parties in a timely manner.
- Provide recommendations to the City to manage Operations and coordinate City of Portland and TriMet staff to provide high quality service that meets or exceeds performance goals.
- Lead multi-agency effort to draft and publish and updated five-year strategic plan for Portland Streetcar (2021-2026) to be completed by 9/30/21.
- In partnership with the City and TriMet, seek funding to maintain and improve the overall condition of the streetcar system and to reduce the financial burden to public agencies. Produce annual report to Portland City Council members on funding opportunities and constraints by 7/1/2021.
- Utilize private sector Board of Directors to support and inform the City’s funding strategy as needed. Funding plan may be either on-going operations funding, or one-time capital funding (to free up operations funding). Private sector commitments are expected to bolster the “Public/Private Partnership” element of streetcar.
- Convene and attend regular meetings with PBOT Streetcar team and PBOT Finance to reach consensus on financial state, asset condition, and needs.
- Update existing Fare Policy to reflect current state of enforcement practice and to either maximize fare revenues or work with the City to eliminate fares by identifying alternative funding to support operations.
- Coordinate with the City’s Office of Government Relations on necessary items including state or federal funding opportunities.
- Maintain positions on influential advisory bodies such as the Central Eastside Industrial Council Transportation and Parking Advisory Committee and Portland Business Alliance Transportation Committee, and TriMet’s HB 2017 Committee to ensure private sector support for improved transit and mobility in Portland’s central city.
- Plan and execute regular briefings for staff and elected officials representing parts of Portland in the Oregon State Legislature and United States Congress to ensure key legislators are informed of Streetcar’s successes and future needs for funding or statutory changes.

H. Best Practices, Policy Development, and Performance Measure Improvements

- Assemble best practices from other public transit agencies, as requested, to address Portland Streetcar’s needs as it continues to grow in staffing and service hours and develops short and long-term strategies for service improvement.
- Apply best practice information from other agencies, to help address issues as they arise, through proposed new or modified Standard Operating Procedures (SOPs).
- Assist in the development and recommendation of policies related to federal Title II and Title VI requirements.
- Monitor for Title II and Title VI compliance and tracking and documentation of complaints and responses.

- Provide project management or project oversight services as needed for operational and capital projects such as vehicle procurement, vehicle overhauls, station repairs and upgrades, or any other such project as requested by the City.
- Continue as Project Manager for existing vehicle procurement contract on behalf of the City.
- Manage the “Streetcar Special Projects” budget to administer contracts and work orders on behalf of the City with Streetcar Division Manager approval.
- Review public transit agency performance measures in use, as well as recent (within the last 5 years) academic analysis of performance measures and recommend changes or additions to Portland Streetcar’s key performance measures.

2. KEY FINANCIAL TERMS

A. Monetary Payments - All monetary transactions, except sponsorship revenue, shall occur as follows:

- In compliance with all established cash management, electronic payment processing, and accounting policies or rules of the City:
<http://www.portlandonline.com/auditor/index.cfm?c=26819>.
- The City shall establish, in the City’s name, a commercial checking account called “Portland Streetcar Operations” (the “City Account”) for the sole purpose of facilitating financial transactions. All monetary transactions, except sponsorship revenue, shall be deposited directly into the City Account.
- Contractor’s point-of-sale system will process fare transactions through the City’s payment gateway, which utilizes the City’s merchant bank. All transactions will be processed under City’s Tax ID number. The City shall grant the Contractor with on-line real-time access to the merchant account information, including transaction history in order to process refunds and reply to charge-backs.
- All collected funds shall be deposited directly to the City Account within 24-hours of receipt or as documented in compliance with City financial rules.
- All interest earnings on the City Account, if any, shall be designated as Portland Streetcar Operations revenues.
- All bank fees on the City Account will be paid from the City Account.
- Contractor acknowledges and agrees that all fare revenues belong to the City and that all fare revenues generated within, or arising out of the Portland Streetcar Operations must be accurately reported to the City as revenues in accordance with the reporting requirements.
- Contractor will have strong business management and accounting practices, and provide an annual audited financial statement to the City. The City shall be provided an independent summary from a CPA focused on a) Contractor and third-party fare sales gross revenue, fees, and net revenue, b) earned sponsorship revenue and the sponsorship reserve account, c) accounting for the annual cash advance from the City, if any, and d) an opinion on the adequacy of segregation of duties and process controls.

B. Sponsorship and Advertising Revenue - The City acknowledges that sponsorship and advertising revenue shall be that of the Contractor for system operations. As such, these revenues will be collected, deposited and managed by the Contractor in the Contractor’s bank account.

- Contractor shall provide accurate quarterly and annual reports to the City of the sponsorship and advertising funds collected.
- Contractor understands that a target has been established for sponsorship and advertising revenue and that this amount shall be the responsibility of the Contractor to generate. The City will not make up the difference for any collection of less than the annual target revenue amount.
- Contractor shall provide monthly reports to the City regarding collection, management and expenditure of sponsorship revenue, as shown in Attachment B, Sheet 4.
- Sponsorship and advertising contracts shall include a provision that the sponsorships are assignable to the City or a subsequent provider, in the event of the contract termination.
- In the event that sponsorship or advertising revenue exceeds the annual target by more than 20%, these revenues will be deposited into a reserve account for Contractor to draw upon in a future year if the target is not met.
- If at any time the sponsorship reserve account achieves a balance equal to or greater than the annual target for the subsequent fiscal year, Contractor may access those revenues in excess of that required to cover operations as defined in this scope of work, or to use for Special Projects with the approval of the City's Streetcar Division Manager.
- The parties agree that certain sponsorship agreements may result in funds being distributed directly to the City, rather than the Contractor. Upon receipt of such fully executed sponsorship agreements, the Contractor will be credited for the total annual value of the agreements as funds earned toward the sponsorship target for the Contractor as identified in Exhibit B. The parties agree the Contractor may invoice the City for sponsorship revenues earned by the Contractor but collected by the City, up to 120% of the annual sponsorship target identified in Exhibit B, less any sponsorship revenue earned and collected by the Contractor directly.

3. WORK TO BE PERFORMED BY THE CITY: The Streetcar Division Manager will be the main contact for the City of Portland and will actively manage the contract and streetcar portfolio.

The Portland Bureau of Transportation, in partnership with TriMet, will perform the activities outlined in the Master Agreement attached to this RFP.

The Portland Bureau of Transportation will provide monthly financial reports. Additionally, the bureau has a safety plan, operations plan, maintenance plan, communications plan, and inclement weather plan. These plans will be provided, however, over the course of the term of this Contract, Contractor may be required to update some of these plans.

4. CITY FURNISHED PROPERTY: No materials, labor or facilities will be furnished by the City unless otherwise provided for within this Contract. Where the Contractor provides staff within City facilities, such as the Streetcar Operations Office, the City will provide standard office furnishings and equipment.

5. INVOICING: The City of Portland is a tax-exempt governmental agency. Prices shall not include federal, state, local, or other taxes designated now or hereafter, unless the City is responsible therefore. Contractor shall submit monthly billings in a timely fashion. Invoices shall be sent via email to:

portlandstreetcarinvoices@portlandoregon.gov

Contractor is at all times solely responsible for billing accuracy and timeliness;

6. INVOICING AND PAYMENT: Invoices submitted for payment shall be in accordance with Attachment B, Sheet 4. Invoices for payment shall be provided to the City within 30 days following the end of the month. The monthly invoice to the City shall include a separate line items for:

- Lease expenses for an operator relief point and customer service centers;
- Any agreed upon expenses incurred by the Contractor which results in changes or improvements to City owned assets which must be capitalized (including station furniture, shelter glass, vehicle paint or wrap, or other Contractor financed improvements to City-owned assets), and;
- Sponsorship or advertising revenues earned by the Contractor but collected by the City, as identified in the Key Financial Terms.

The actual cost for services within any one year may vary from the categories listed in Attachment B, Sheet 1, i.e. more or less may be expended on Personnel and or Contract Staff; however, on no account shall the authorized City annual maximum price for the combined cost of Personnel and Contract Staff (Total with Overhead) shown in Attachment B, Sheet 1, be exceeded.

Revised invoices or billing adjustments shall apply only to goods and services that can be verified by the City. Requests for such adjustments shall be submitted via email to the City within six (6) months of the original billing. The City shall pay undisputed portions of disputed or incorrect invoices where the City can easily identify the undisputed portion. Failure by the City to pay any portion of or the entire invoiced amount based on Contractor billing errors, goods and services that fail to comply with this Contract, or disputed charges shall not constitute default under this Contract.

It is the City's policy to pay its vendor invoices via electronic funds transfers through the automated clearing house (ACH) network. To initiate payment of invoices, vendors shall execute the City's standard ACH Vendor Payment Authorization Agreement which is available on the City's website at: <http://www.portlandonline.com/omf/index.cfm?c=26606&a=409834>.

Upon verification of the data provided, the Payment Authorization Agreement will authorize the City to deposit payment for services rendered or goods provided directly into vendor accounts with financial institutions. All payments shall be in United States currency.

Attachment B Per Amendment 3

Five Year Price Agreement	Projected Budget		
	Year 6 (in contract)	Year 7 (FY 21-22)	Year 8 (FY 22-23)
	FY 20/21	FY 21/22	FY 22/23
Personnel	580,000	597,400	615,322
Contract Staff	58,000	60,900	63,945
Overhead (19%)	121,220	125,077	129,061
Rent - Customer Service	126,100	129,883	133,779
Rent - Operator Break Room	34,860	36,603	38,433
Special Projects (Contingency)	100,000	100,000	100,000
FTA COVID Grant (projected)*		300,000	60,000
Total: All Expenses	1,020,180	1,349,863	1,140,540
Less Sponsorship Earned Revenue	190,000	190,000	318,270
Sponsorship Earned by PSI, Collected by City	110,000	110,000	-
Projected Annual Price	940,180	1,159,863	822,270
			1,982,133 Two Year Contract Extension

* Sigange at Platforms (\$180,000), Rider Advocates (\$120,000), Research and Reporting (\$60,000)

IMPACT STATEMENT

Legislation title: *Amend contract with Portland Streetcar, Inc. to extend the agreement terms through June 30, 2023 and add \$1,982,133 in compensation (Ordinance; Amend Contract No 30004833)

Contact name: Rich Eisenhauer

Contact phone: 503-886-9907

Presenter name: Catherine Ciarlo

Purpose of proposed legislation and background information:

- Approval of this ordinance would extend the existing contract with Portland Streetcar, Inc. (PSI) to June 30, 2023. The original five-year contract has been in effect since October 1, 2015. A one-year amendment was approved on September 16, 2020. Clauses in the contract allow for extensions of the agreement for up to an additional five years, to be taken individually or in multiple years.
- This contract extension amendment would extend the contract term for two additional years to June 30, 2023 and the contract authority would increase to add compensation for the extension period.
- This contract extension allows Portland Streetcar to continue operating with a high level of support from PSI. To continue to provide a critical transit service, PBOT wishes to extend this contract with PSI to maintain important private sector and non-profit partnership engagement, and provide ridership customer service to deliver safe, stable public transit service connecting customers with housing, groceries, medical centers and jobs.

Financial and budgetary impacts:

- This contract was created in 2015 when the City of Portland solicited bids for Streetcar Operations Assistance through an open and competitive process. A five-year contract was awarded to Portland Streetcar, Inc. (PSI), a 501c3 non-profit. The contract has been active since October 1, 2015, with a total contract authority to date of \$4,361,208.
- The additional compensation for this contract extension to Contract No 30004833 is \$1,982,133 and will run through June 30, 2023. The Bureau's level of confidence in the cost estimates for this project is high.
- PBOT has been awarded a \$549,950 grant from Federal Transit Administration (FTA). This Public Transportation Research and Demonstration Grant for Portland Streetcar's Healthy and Reliable Transit project is being accepted at the same Council meeting where the PSI contract extension is under consideration. These grants funds will reduce a portion of City responsibility of the compensation needed to extend the PSI contract.
- Funds for this contract are included in the FY2021-22 Adopted Budget and no additional budget authority is requested. Funding sources include a mix of General Transportation Revenues and state and local funds from TriMet.

Community impacts and community involvement:

- There is not expected to be any opposition to this ordinance. This contract extension allows Portland Streetcar to continue operating safely and efficiently to provide a vital transportation option in the City of Portland.

Budgetary Impact Worksheet**Does this action change appropriations?**

- ☐ **YES:** Please complete the information below.
- ☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

mjc 6-9-2021