

Scope of Services

EVALUATION OF THE GOVERNANCE STRUCTURE OF TRANSIT SERVICE IN THE RICHMOND REGION AND THE ESTABLISHMENT OF A TRANSPORTATION DISTRICT

1. STUDY BACKGROUND

During the 2020 session of the Virginia General Assembly, HB 1541 was approved as an amendment to the Virginia State Budget. 58.1-2299.20(c)3 of HB 1541 directs the Central Virginia Transportation Authority (CVTA) to evaluate the governance structure of transit in the Richmond Region and the establishment of a transportation district.

CVTA will engage the services of a professional consultant to conduct the review (the "Study"). The CVTA Technical Advisory Committee will direct the work of the consultant.

The entire text of 58.1-2299.20(c)3 of HB 1541 is as follows:

"That the Central Virginia Transportation Authority, as created by Chapter 37 (§ 33.2-3700 et seq.) of Title 33.2 of the Code of Virginia, as created by this act, shall evaluate the governance structure of transit service in the Richmond region, including the evaluation of establishing a transportation district pursuant to Chapter 19 (§ 33.2-1900 et seq.) of Title 33.2 of the Code of Virginia, and report the results of such evaluation to the Governor and the General Assembly no later than December 1, 2020."

This scope of work is intended to inform and support compliance with legislative directives for transit in the Richmond Region.

2. STUDY PURPOSE AND OBJECTIVES

The purpose of this study is to determine if there are policies and processes in place to ensure accountability for the proper spending of CVTA regional transit funds and to identify options to guarantee accountability, if needed.

The objectives of this study are to:

- a. To evaluate the governance structure of the Greater Richmond Transit Company (GRTC);
- b. To evaluate the establishment of a transportation district in the Richmond Region;
- c. Provide options related to GRTC governance and/or the establishment of a transportation district; and
- d. To report the progress of such evaluation to the Governor and the General Assembly by December 1, 2020 with a firm completion date of March 31, 2021.

3. STUDY ADMINISTRATION

CVTA will manage this study with the technical assistance of a qualified consulting firm (herein after referred to as the "CONSULTANT"). The review will be conducted using a two-pronged approach, with work occurring simultaneously at both a technical level and a policy level. A consultant with significant experience in evaluating large transit organizations will be secured to support this assessment and development of recommendations. The review approach will also engage an independent reviewer with significant policy experience to provide credibility to the review process, and facilitate policy discussions among member jurisdictions.

Both CVTA and the CONSULTANT will designate Project Managers through which all formal communications related to the Study will be exchanged.

4. CONSULTANT ENGAGEMENT AND STUDY SCHEDULE

CONSULTANT support services are needed through June 30, 2021. CONSULTANT will produce a detailed progress report, formatted as a General Assembly report, that is due no later than December 1, 2020 and a final report that is due no later than March 31, 2021.

The Study will be conducted in five phases as described below.

Phase 1 – Strategic Assessment of the Governance Structure of GRTC (November 30, 2020)

Phase 2 – Evaluation of Transportation District vs. CVTA Powers and Authority, in relation to transit funding (December 30, 2020)

Phase 3 - Options for Potential Transit Governance Strategies (December 30, 2020)

Phase 4 – Draft Final Report (January 29, 2021)

Phase 5 – Final Report (March 31, 2021)

Each Phase of the Study will include specific Tasks and Deliverables described in Section 6 below.

The CONSULTANT is expected to make at least two (2) and as many as six (6) public presentations on the Study to various entities. Presentations and Deliverables shall be reviewed and approved by the CVTA TAC before being presented in public meetings.

5. STUDY BUDGET

The contract between CVTA and CONSULTANT is a Cost-plus Fixed Fee contract. Total cost of the contracted work shall not exceed \$50,000. A monthly invoice will be submitted by the CONSULTANT to CVTA, along with a monthly progress report. The invoice and monthly progress report will provide a percent complete per task item and a detailed description of the activities performed for each task and subtask item. The percent complete should be tied to the dollar value that is placed on each task item, with the invoice amount reflecting the percent complete of each task.

6. SCOPE OF SERVICES: STUDY PHASES, TASKS & DELIVERABLES

The Study will be conducted in five phases. Each Study phase will include specific tasks to be completed during the phase. Individual Study phases and tasks may require the production of deliverables at the end of the phase or task or at other scheduled milestones described below.

In addition to the five phases of the Study described below, the CONSULTANT will provide bi-monthly updates to the CVTA throughout the course of the Study. The CONSULTANT and the CVTA TAC will establish a regular schedule of progress meetings for the Study prior to the start of work by the CONSULTANT. The CONSULTANT will be responsible for preparing meeting agendas and meeting minutes.

The CONSULTANT will also be required to deliver public presentations throughout the course of the Study. The schedule of meetings at which CONSULTANT presentations will be required will be established by CVTA during the course of the Study.

6.1. Phase 1 – Strategic Assessment

Phase 1 of the Study will include Strategic Assessments of the governance structure of GRTC and comparable transit agencies throughout the country.

Phase 1 of the Study shall be completed by November 30, 2020.

Phase 1 of the Study shall include the tasks and deliverables described in general below. The CONSULTANT shall determine all work required to complete each task to the satisfaction of CVTA. The CONSULTANT shall present a Task Work Plan and Task Schedule for the completion of each task to CVTA for approval prior to the start of each task.

Task 1.1: Strategic Assessment of GRTC

The Strategic Assessment of GRTC will focus on the current state of GRTC governance. As part of the Strategic Assessment of GRTC, the CONSULTANT will compile and review all GRTC governing documents and all other strategic assessment reports and reviews of GRTC that have been conducted in the last 10 years.

With the approval of CVTA, the CONSULTANT shall determine the range of and specific organizational conditions to be documented in the Strategic Assessment of GRTC with the following conditions to be included at a minimum:

- Board Governance
 - ✓ Size of the governing board and the role of alternate members
 - ✓ Appointment authority to the governing board
 - ✓ Qualifications of governing board members
 - ✓ Terms of office of governing board members
 - ✓ Selection of governing board leadership (officers) and roles and responsibilities of board officers
 - ✓ Governing board committee structure and roles and responsibilities of committees
 - ✓ Veto authority by governing board members
 - ✓ Fiduciary responsibilities of governing board members
 - ✓ Voting structure
- Organizational Funding Structure
- Governance decisions for local and regional public mass transit network
- Shareholder control over Board decisions and membership
- Decisions and control of local jurisdictions in transit planning and funding
- Federal, state, and local laws, regulations, and ordinances associated with transit operations including labor laws and federal interest in assets and property
- What is involved in changing the GRTC governance structure
- Requirements associated with changes in ownership structure and bylaw changes

Deliverable 1.1: The results of Task 1.1 will be summarized in a technical memorandum and presentation materials.

Task 1.2: Strategic Assessment of GRTC's Peer Transit Agencies

The Strategic Assessment of GRTC's Peer Transit Agencies will document the same organizational conditions as those described in Task 1.1 of a peer group of at least six (6) transit agencies that are similar in size, age,

employment levels, service area size by area, revenue miles, revenue hours, and operating characteristics as GRTC. The CONSULTANT shall choose the peer agency group to be assessed with the approval of CVTA

Deliverable 1.2: The results of Task 1.2 will be summarized in a technical memorandum and presentation materials.

Task 1.3: Strategic Assessment and Benchmarking

~~Assessment and benchmarking of CVTA will be developed relative to 1) NoVA Transportation Authority and 2) Hampton Roads Transportation Accountability Commission and the Hampton Roads Regional Transit Program and Fund~~

~~*Deliverable 1.3: The results of Task 1.3 will be summarized in a technical memorandum and presentation materials.*~~

Commented [VJE1]: This seems to be outside the purpose of the study which is to evaluate the governance structure of GRTC and the establishment of a transportation district/

6.2. Phase 2 – Evaluation of Transportation District

Task 2.1: Evaluation of a Transportation District

This task will include an analysis of the utility of creating a transportation district for the region, and will include, at a minimum,

1. Definition
2. Powers and Authority
3. Existing Transportation Districts in Virginia
4. Comparison to CVTA Powers and Authority

Deliverable 2.1: The results of Task 2.1 will be summarized in a technical memorandum and presentation materials.

6.3. Phase 3 – Options for Potential Transit Governance Strategies

Phase 3 of the Study will include evaluation of GRTC's current governance in comparison to the governance models of similar transit agencies. Phase 3 of the Study will result in options related to potential reforms to GRTC's governance and how those options could be implemented. This phase shall be completed by December 30, 2020.

Task 3.1: Evaluation of GRTC Governance relative to Peer Transit Agencies,

The Evaluation of GRTC Governance relative to Peer Transit Agencies will include qualitative and quantitative comparisons of the organizational governance conditions documented in the assessments of GRTC and the peer agency group approved by CVTA as described in Tasks 1.1 and 1.2. The Evaluation of GRTC Governance relative to Peer Transit Agencies will document similarities and differences in the governance practices of GRTC and the peer agency group as well as recognized industry best practices for governance of transit agencies of similar size.

Deliverable 3.1: The results of Task 3.1 will be summarized in a technical memorandum and presentation materials.

Task 3.2: Options for Potential GRTC Governance Strategies

The Options for Potential GRTC Governance Strategies will include both a list and discussion of potential reforms to GRTC's Governance Structure to ensure the long-term sustainability of the organization as well as a list and discussion of strategies to bring about the recommended reforms. Development of options should consider the following:

- a. How elected officials involved in the decisions are included in decisions related to the expenditure of CVTA regional transit funding.
- b. Should the GRTC Board be revamped to include elected officials?
- c. Should the GRTC Board include broader representation from the region because of CVTA funding?
- d. Does the Regional Public Transportation Plan adequately inform funding decisions affecting rural jurisdictions?
- e. Should there be representation on the GRTC Board for every jurisdiction with service, adding/subtracting jurisdictions as the system changes?
- f. Should there be representation on the GRTC Board for every jurisdiction regardless of current service?
- g. Should there be at-large members to represent jurisdictions with smaller populations?
- h. Should there be non-voting members (citizens, agencies)?
- i. Should there be weighted voting?

Deliverable 3.2: The results of Task 3.2 will be summarized in a technical memorandum and presentation materials.

6.4. Phase 4 – Draft Final Report

The Draft Final Report will include the compilation into a single draft report document of all analysis, recommendations and deliverables prepared during preceding Phases.

Task 4.1: Draft Final Report

The CONSULTANT will prepare a reader-friendly report document that will provide narrative description of the Study findings and recommendations. The Final Report is expected to serve a dual purpose of informing technical and elected officials. The Final Report should convey complex information in an easy-to-understand manner using visual aids. The format of the Draft Final Report document will be at the discretion of the CONSULTANT with guidance from CVTA.

The Draft Final Report document shall be delivered to CVTA no later than January 29, 2021. The Draft Final Report document will be delivered both electronically (editable) and in 25 bound, printed copies to the CVTA Project Manager.

Deliverable 4.1: Draft Final Report document (electronic and 25 bound, printed copies)

6.5. Phase 5 - Final Report

Phase 5 of the Study will include edits to the Draft Final Report document recommended by CVTA, the development of an Executive Summary and production of the Final Report document.

Phase 5 of the Study shall include the Tasks and Deliverables described below.

Task 5.1: Final Report

The Final Report will be produced and delivered to CVTA in substantially the same format as the Draft Final Report and will include edits to the Draft Final Report directed by CVTA. The Final Report will also include a four (4) to eight (8) page Executive Summary of the Study that will focus on key findings and recommendations deemed pertinent by CVTA.

The Final Report document shall be delivered to CVTA no later than March 31, 2021. The Final Report document will be delivered to the CVTA Project Manager as directed in Section 7 of this Scope of Work.

Deliverable 5.1: Final Report document, including Executive Summary (delivered as directed in Section 7)

7. FINAL DELIVERABLES

In addition to the Deliverables required to be submitted during the course of the Study, the CONSULTANT will submit the following Deliverables to CVTA at the end of the Study:

1. PowerPoint presentations developed and delivered throughout the Study
2. All Study data and files in editable digital formats

All Final Deliverables listed above will also be submitted to CVTA in electronic formats.

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