

Attachment 7



Englander Knabe & Allen

Government Relations & Strategic Communications

November 16, 2014

Hon. Lili Bosse, Mayor
Hon. Julian Gold, Vice Mayor
Councilmember William Brien
Councilmember Nancy Krasne
Councilmember John Mirisch

Dear Mayor Bosse and Councilmembers:

This firm represents LA Checker Cab Coop, Inc. On behalf of our client, I am writing you today to raise serious transparency concerns surrounding the results of the Taxi Cab Franchise Request for Proposals and ask that the Council delay further consideration of the proposed program until procurement documents are publicly released and the public and affected stakeholders are given a meaningful opportunity to scrutinize the recommendation.

On Friday, November 14, 2014, the City released the Staff Report on Taxi Cab Franchising and noticed the decision for the Council meeting on November 18, 2014. The report publicly revealed for the first time the four companies that the staff was recommending for franchise agreements with the City of Beverly Hills.

The Staff did not simultaneously release any procurement documents. Among the procurement documents that must be released are the individual scoring sheets that support the recommendation made by the City's consultants. This lack of transparency prevents the public and my Client, the only company who submitted a bid that was not awarded a franchise, from having any meaningful opportunity to scrutinize the recommendation and prepare a protest, should one be warranted. This is inconsistent with normal City contracting process. It is unfair and may also be contrary to California law.

During the brief time that we have had to review the Staff Report we have found inconsistencies and there are many unanswered questions. It is impossible to determine the "specific enhancements" that each of the companies offered to the City because, while the Staff Report details the

enhancements provided by the four chosen companies, it does not provide the same level of detail of my client's enhancements which we believe are equal to, if not exceeding, the four chosen companies.

We have concerns with the scoring and other details of the Staff Report.

For example:

- The Staff Report states that the highest receiver of points, Bell Cab, is offering a fleet of vehicles that will be 75% hybrid while my client offered a fleet that will be 100% hybrid, yet Bell Cab received substantially more points than my client in every category where this would be considered.
- My client's payment solutions and dispatch technology is exactly the same as three of the other bidders, yet my client was scored last on Enhancements and Innovations that included this technology (as well as hybrid vehicles).
- The RFP originally had a provision that the service and storage facility of the company's submitting bids must be no more than 10 miles away from Beverly Hills. This was changed during the process to 20 miles. This change does not benefit Beverly Hills residents, but it does benefit one company who otherwise would have been unable to bid. Surprisingly, that company is now ranked highest in the Staff Report.

My client also does not understand why, when it has been consistently cited that there is a need for 200 taxis to service Beverly Hills residents and businesses, that only 171 are being awarded. Inasmuch as it was already determined that all five companies met the minimum requirements, would it not be reasonable to include my client for the balance of the 29 slots that remain open.

In sum, the public and affected stakeholders have a legal and legitimate interest in scrutinizing the proposed award before the Council votes on it. The Council, in turn, has a strong interest in gathering all relevant facts that it can in order make an informed decision. Put simply, there needs to be transparency in the process. We thus request that the Council delay action on the Staff Report, instruct the Staff to immediately release all procurement documents

and afford the public and affected stakeholders reasonable opportunity to review the documents and prepare a protest, should one be warranted.

Thank you for your prompt attention to this matter. If you have any questions, please do not hesitate to contact me at any time at 213.220.5058.

Sincerely,

Englander Knabe & Allen

Harvey A. Englander.

Cc: Jeff Kolin, City Manager
Larry Weiner, City Attorney
Chad Lynn, Assistant Direct of Public Works Services