

## PROCUREMENT SUMMARY

**WEST SANTA ANA BRANCH (WSAB) TRANSIT CORRIDOR  
ADVANCED ENGINEERING CONTRACT NO. AE104903000**

1.	<b>Contract Number:</b> AE104903000	
2.	<b>Recommended Vendor:</b> HDR ENGINEERING, INC.	
3.	<b>Type of Procurement (check one) :</b> <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input checked="" type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued</b> April 21, 2023	
	<b>B. Advertised/Publicized:</b> April 27, 2023, May 1, 2023, and May 11, 2023	
	<b>C. Pre-Proposal Conferences:</b> May 4, 2023 and May 10, 2023	
	<b>D. Proposals Due:</b> June 20, 2023	
	<b>E. Pre-Qualification Completed:</b> September 27, 2023	
	<b>F. Ethics Declaration Forms Review Completed by Ethics:</b> August 14, 2023	
	<b>G. Protest Period End Date:</b> November 21, 2023 (Est.)	
5.	<b>Solicitations Picked up/Downloaded:</b> 160	<b>Proposals Received:</b> 1
6.	<b>Contract Administrator:</b> Robert Romanowski	<b>Telephone Number:</b> 213-922-2633
7.	<b>Project Manager:</b> June Susilo	<b>Telephone Number:</b> 562-524-0532

**A. Procurement Background**

This Board Action is to approve the award of Contract No. AE104903000 to provide Advanced Engineering services for the West Santa Ana Branch (WSAB) Transit Corridor Project. Scope includes Plans, Specifications, and Estimates (PS&E), design management, surveys and geotechnical investigations, support to Metro during evaluation of future Construction Manager/General Contractor (CM/GC) pricing proposals, support for project management and administration, and design services during construction. Board approval of contract awards are subject to resolution of any properly submitted protest.

The Request for Proposals (RFP) was an Architectural and Engineering (A & E) services qualifications-based procurement process performed in accordance with Metro Procurement Policies and Procedures and California Government Code §4525-4529.5. The contract type is a Cost-Plus Fixed Fee (CPFF) for a term of seven (7) years for the advanced engineering and final design services of utility adjustments, freight relocation, and grade crossings with one option to be negotiated in the future after the delivery model of the construction of the light rail system has been selected and executed. Virtual pre-proposal conferences were held on May 4, 2023 and May 10, 2023. There were 160 firms who downloaded the RFP and were included on the list of Planholders.

Two (2) Amendments were issued during the Solicitation phase of this RFP:

- Amendment No. 1, issued on May 2, 2023, added the second pre-proposal conference.
- Amendment No. 2, issued on May 24, 2023, clarified the due date for the proposal volumes containing Cost and Fee Proposal and DBE forms; revised the Scope of Services regarding preparation of property impact statements, and issued the then-current versions of two Metro policies.

One (1) proposal was received on June 20, 2023, from HDR Engineering, Inc.

The Proposal was determined to be responsive to the requirements of the RFP, including acknowledging both amendments.

Since only one proposal was received, staff conducted a market survey of the Planholders to determine why they did not submit a proposal. Staff received responses from 39 firms that fell into four general categories:

1. Respondent plans to pursue the separate and upcoming Program Management Support Services (PMSS) RFP for West Santa Ana Branch instead of this RFP and knows they would be conflicted and prohibited from receiving this Contract;
2. Respondent chose not to pursue the Advanced Engineering contract for their own business reasons (including insufficient resources, or insufficient Subcontractors, not being ready, or deciding this was not the right scope for their firm);
3. Respondent downloaded the RFP only for general information on the overall Transit Corridor project in preparation for submitting a Proposal on a future RFP; or
4. Respondent knew it has an actual, potential, or apparent conflict of interest and therefore, did not submit a Proposal.

Based on these responses, Vendor/Contract Management determined: (1) that the RFP and Scope of Services were not restrictive to competition; and (2) that all outreach procedures had been followed. Accordingly, the evaluation of the single proposal and remaining steps towards recommendation of Contract award could continue, subject to review of the Ethics Declarations to verify that there were no conflicts of interest for the proposer and any proposed subcontractors on any existing contracts.

## **B. Evaluation of Proposals**

The Proposal Evaluation Team (PET) was comprised of representatives from the following departments: Countywide Planning, Operations, Project Management, and

Metro Engineering. The PET conducted a comprehensive evaluation of the proposal.

The proposal was evaluated based on the following evaluation criteria and associated weighting of maximum points:

- Degree of the Skill and Experience of the Proposer Team 45 points
- Effectiveness of Project Management Plan 20 points
- Project Understanding and Approach to Scope of Services 30 points
- Approach to Cultural Competency 5 points

Total 100 points

The evaluation criteria are appropriate and consistent with criteria developed for other similar A & E procurements. Several factors were considered when developing the weightings, giving the greatest importance to the Degree of the Skill and Experience of the Proposer Team.

This is an A & E qualification-based procurement; therefore, price cannot be used as an evaluation factor pursuant to state and federal law.

#### **Qualifications Summary of Recommended Contractor:**

The evaluation performed by the PET determined, in accordance with the evaluation criteria established in the RFP, that the proposal from HDR Engineering, Inc. demonstrated competence and professional qualifications for successful performance of the services required.

The scoring was based on evaluation of the written proposal received from the proposer, and oral presentations which were conducted on August 30, 2023. The results of the final scoring are shown below:

Firm	Maximum Points	Earned Points	Total Points	Rank
<b>HDR ENGINEERING, INC.</b>				
Degree of the Skill and Experience of the Proposer Team	45.00	39.50		
Effectiveness of Project Management Plan	20.00	16.81		
Project Understanding and Approach to Scope of Services	30.00	26.18		
Approach to Cultural Competency	5.00	3.38		

<b>Total</b>			<b>85.87</b>	<b>1</b>
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### **C. Cost Analysis**

A cost analysis of the elements of cost including direct labor rates, indirect cost rates and other direct costs was completed in accordance with Metro's Procurement Policies and Procedures. Indirect cost rates for the Contractor and proposed Subcontractors were established based on currently available and applicable audits.

A fixed fee factor was negotiated to establish a fixed fee amount based on the total estimated cost of performance of the Scope of Services, for the contract term.

<b>Proposer: HDR ENGINEERING, INC.</b>			
<b>Contract Duration</b>	<b>Cost Proposal</b>	<b>Metro ICE</b>	<b>NTE Funding Amount</b>
Base Period – 7 Years	\$88,853,799	\$71,877,808	\$75,407,476 <sup>(1)(2)</sup>

Notes:

- (1) Direct labor hourly rates are supported by payroll data; overhead rates for the Contractor and Subcontractors are based on current FAR Part 31 compliant audits submitted by the Proposer during negotiations or established as a provisional rate as discussed above; and other direct costs and fixed fee amount were negotiated and determined to be fair and reasonable.
- (2) The final amount of **\$75,407,476** is the requested NTE for the total cost of the agreed estimated level of effort required to perform the Scope of Services.

Staff successfully negotiated a cost savings of \$13,446,323 from the submitted Cost Proposal as a result of correcting assumptions regarding level of effort, negotiating and agreeing to estimated level of effort for personnel and all Subcontractors, refining the expectations and confirming deliverables of cost estimates and environmental site assessments, reducing annual economic price adjustments of direct labor costs ("escalation"), and reducing the fixed fee factor from 10% to 8.5%.

### **D. Background on Recommended Contractor**

HDR Engineering was founded in 1917 and has offices in Southern California, which currently support a staff of 484. HDR currently has an office in the city of Los Angeles. Their current team has extensive experience with rail design, transit architecture, civil design, bridge design, and utility relocation.