

PROCUREMENT SUMMARY

**SOUTHEAST GATEWAY LINE (FORMERLY WEST SANTA ANA BRANCH TRANSIT
CORRIDOR)
PROGRAM MANAGEMENT SUPPORT SERVICES / AE107133000**

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| 1. | Contract Number: AE107133000 | |
| 2. | Recommended Vendor: WSP USA, INC. | |
| 3. | Type of Procurement (check one) : <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. | Procurement Dates: | |
| | A. Issued: May 19, 2023 | |
| | B. Advertised/Publicized: May 26, May 27, and June 1, 2023 | |
| | C. Pre-Proposal Conference: June 6, 2023 | |
| | D. Proposals Due: July 3, 2023 | |
| | E. Pre-Qualification Completed: December 5, 2023 | |
| | F. Ethics Declaration Forms Review Completed by Ethics: September 6, 2023 | |
| | G. Protest Period End Date: January 23, 2024 | |
| 5. | Solicitations Picked up/Downloaded: 190 | Proposals Received: 5 |
| 6. | Contract Administrator: Robert Romanowski | Telephone Number: 213-922-2633 |
| 7. | Project Manager: June Susilo | Telephone Number: 562-524-0532 |

A. Procurement Background

This Board Action is to approve the award of Contract No. AE107133000 to provide Program Management Support Services (PMSS) for the Southeast Gateway Line. Scope includes program management and construction management support services to Metro to manage the design, continue coordination and negotiations with critical third-parties, evaluation of future Construction Manager/General Contractor (CM/GC) pricing proposals, and support for project management and administration. Board approval of contract awards are subject to resolution of any properly submitted protest.

The Request for Proposals (RFP) was issued as 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 base term of five years with two, five-year options. A virtual pre-proposal conference was held on June 6, 2023, with 107 attendees. The list of Planholders includes 190 downloads of the RFP by 163 firms.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on June 16, 2023, clarified and revised the Submittal Requirements.
- Amendment No. 2, issued on June 23, 2023, clarified applicability of the Contractor Registration Law to this procurement.

Five proposals were received on July 3, 2023, from the following firms, listed in alphabetical order:

1. AECOM Technical Services, Inc.
2. Bechtel Infrastructure Corporation
3. Gateway Cities Connection Joint Venture (PGH Wong Engineering, Inc. and Anser Advisory Management, LLC)
4. Psomas-Stantec-Mott MacDonald Joint Venture (Psomas, Stantec Consulting Services, Inc., and Mott MacDonald Group, Inc.)
5. WSP USA, Inc.

All five proposals were determined to be responsive to the requirements of the RFP, including acknowledging both amendments.

B. Evaluation of Proposals

The Proposal Evaluation Team (PET) was comprised of a member of the City Managers Technical Advisory Committee (TAC); and representatives from the following Metro departments: Countywide Planning, Countywide Planning/Systemwide Design, and Program Management. The PET conducted a comprehensive evaluation of the proposals.

The proposals were evaluated based on the following evaluation criteria and associated weighting of maximum points:

- | | |
|---|------------|
| • Experience and Capabilities of the Proposer’s Team | 25 points |
| • Key Personnel Skills and Experience | 35 points |
| • Project Understanding and Approach to Implementation of the Scope of Services | 35 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, qualifications-based procurements. Several factors were considered when developing the weightings, giving the greatest importance to the criteria of Key Personnel Skills and Experience, and Project Understanding and Approach to Implementation of the Scope of Services

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 WSP USA, Inc. is the most qualified to perform the services required.

The scoring was based on evaluation of the written proposals received from the proposers and oral presentations conducted on October 17, 18, and 19, 2023. The results of the final scoring are shown below:

| Firm | Maximum Points | Earned Points | Total Points | Rank |
|---|-----------------------|----------------------|---------------------|-------------|
| WSP USA, INC. | | | | |
| Experience and Capabilities of the Proposer’s Team | 25.00 | 21.19 | | |
| Key Personnel Skills and Experience | 35.00 | 30.69 | | |
| Project Understanding and Approach to Implementation of the Scope of Services | 35.00 | 30.20 | | |
| Approach to Cultural Competency | 5.00 | 3.81 | | |
| Total | | | 85.89 | 1 |
| AECOM Technical Services, Inc. | | | | |
| Experience and Capabilities of the Proposer’s Team | 25.00 | 19.06 | | |
| Key Personnel Skills and Experience | 35.00 | 26.13 | | |
| Project Understanding and Approach to Implementation of the Scope of Services | 35.00 | 26.61 | | |
| Approach to Cultural Competency | 5.00 | 4.31 | | |
| Total | | | 76.11 | 2 |

| Gateway Cities Connection Joint Venture | | | | |
|---|-------|-------|--------------|----------|
| Experience and Capabilities of the Proposer's Team | 25.00 | 18.19 | | |
| Key Personnel Skills and Experience | 35.00 | 26.44 | | |
| Project Understanding and Approach to Implementation of the Scope of Services | 35.00 | 25.29 | | |
| Approach to Cultural Competency | 5.00 | 3.38 | | |
| Total | | | 73.30 | 3 |
| Psomas-Stantec-Mott MacDonald Joint Venture | | | | |
| Experience and Capabilities of the Proposer's Team | 25.00 | 18.94 | | |
| Key Personnel Skills and Experience | 35.00 | 24.00 | | |
| Project Understanding and Approach to Implementation of the Scope of Services | 35.00 | 26.05 | | |
| Approach to Cultural Competency | 5.00 | 3.63 | | |
| Total | | | 72.62 | 4 |
| Bechtel Infrastructure Corporation | | | | |
| Experience and Capabilities of the Proposer's Team | 25.00 | 15.88 | | |
| Key Personnel Skills and Experience | 35.00 | 22.00 | | |
| Project Understanding and Approach to Implementation of the Scope of Services | 35.00 | 21.51 | | |
| Approach to Cultural Competency | 5.00 | 3.00 | | |
| Total | | | 62.39 | 5 |

C. Cost Analysis

Consistent with Metro's Procurement procedures, Metro technical staff prepared an Independent Cost Estimate (ICE) based on the estimated level of effort (staff positions and labor hours) as understood at the time the RFP was issued. The ICE provided the basis for development of pre-negotiation objectives and support for Metro's negotiation position.

Subsequent to reviewing the cost proposal of the most qualified firm, Metro initiated negotiations with three objectives: (1) to negotiate and reduce the cost elements, (2) to clarify proposer's assumptions, estimates, inclusions, and exclusions to the Scope of Services (SOS), and (3) to arrive at a mutually agreeable level of effort and NTE cost for this cost reimbursable contract that is fair and reasonable.

The difference between the ICE and the negotiated NTE contract amount is due to the following factors.

- The ICE underestimated the effort required for the various technical liaisons supporting the coordination with ten corridor cities, 41 private utility owners, Ports of Los Angeles and Long Beach, Union Pacific Railroad, California Public Utility Commission, Caltrans, and Army Corps of Engineers.
- The ICE did not include Other Direct Costs (ODCs) such as project vehicles, office equipment, etc. It also did not include subcontractor management fee.
- The ICE did not include additional field staff to support the management of the CMGC contract.

| Recommended Contractor: WSP USA, Inc. | | | | |
|--|------------------|----------------------|----------------------------------|---|
| Contract Duration | Metro ICE | Cost Proposal | NTE Contract Award Amount | Metro Estimating Independent ROM |
| 5 Year Base Term | \$51,794,193 | \$126,782,927 | \$99,999,105 ⁽¹⁾ | \$90,338,310 |

(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 for the first year; and other direct costs and fixed fee amount were negotiated and determined to be fair and reasonable.

To validate cost reasonableness of the negotiated NTE amount, Metro Estimating Department performed an independent Rough Order of Magnitude (ROM) Estimate, based on the agreed level of effort. Metro Estimating developed their estimates using direct labor rates, indirect cost rates, escalation, etc. Metro Estimating was not privy to the cost proposal nor the negotiated NTE amount. Metro Estimating's ROM is within 11% of the negotiated amount.

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 in dollars on the total estimated cost of performance of the Scope of Services for the contract term.

Staff successfully negotiated a cost savings of \$26,783,822 from the submitted Cost Proposal by: (1) correcting the proposer's assumptions regarding level of effort; (2) negotiating and agreeing to an estimated level of effort for personnel and all Subcontractors; (3) refining the expectations and confirming deliverables of design reviews; and (4) reducing the fixed fee factor from 10% to 8.5%.

The recommended award amount of \$99,999,105 is fair and reasonable and is the total cost of the agreed estimated level of effort required to perform the Scope of Services for the five-year base term. Pricing for future option terms will be estimated and negotiated in advance of considering exercising the options.

D. Background on Recommended Contractor

WSP USA, Inc. has multiple offices in Southern California including in the city of Los Angeles, which currently support a staff of 800. Their current team has extensive experience with rail design oversight, freight rail coordination, railroad infrastructure design, third party coordination, utility relocation, and program management and construction management support services.