

PROCUREMENT SUMMARY

REGIONAL RAIL STRATEGIC FINANCIAL ADVISORY ON-CALL SERVICES
PS66571-2000 THROUGH PS66571-2005

1.	Contract Number: PS66571-2000 through PS66571-2005	
2.	Recommended Vendor: Discipline 1: Deloitte Transactions and Business Analytics LLP (PS66571-2000) Ernst & Young Infrastructure Advisors, LLC (PS66571-2001) InfraStrategies LLC (PS66571-2002) Sperry Capital, Inc. (PS66571-2003) Discipline 2: WSP USA, Inc. (PS66571-2004) Deloitte Transactions and Business Analytics LLP (PS66571-2005)	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: October 31, 2019	
	B. Advertised/Publicized: October 31, 2019	
	C. Pre-Proposal Conference: November 6, 2019	
	D. Proposals Due: December 5, 2019	
	E. Pre-Qualification Completed: March 30, 2020	
	F. Conflict of Interest Form Submitted to Ethics: December 10, 2019	
	G. Protest Period End Date: October 20, 2020	
5.	Solicitations Picked up/Downloaded: 51	Bids/Proposals Received: 9
6.	Contract Administrator: Erica Rodriguez-Duvergel	Telephone Number: (213) 922-1064
7.	Project Manager: Vincent Chio	Telephone Number: (213) 418-3178

A. Procurement Background

This Board Action is to approve Contract Nos. PS66571-2000 through PS66571-2005, issued in support of the Regional Rail Program across two disciplines for a base term of five years and two, one-year options. The two disciplines are: (1) Financial Advisory Support Services and (2) Strategic Advisory/Advocacy Services. Board approval of contract awards are subject to resolution of any properly submitted protest(s).

These on-call contracts are intended to support strategic financial advisory services and to provide innovative strategies to bridge the funding gap for projects in various phases of the project delivery process. Work will be authorized, as needed by Metro, through the issuance of task orders which will be issued on a rotating basis to the firms within a specific discipline.

Request for Proposals (RFP) No. PS66571-2 was issued in accordance with Metro's Acquisition Policy. The RFP was issued with a 17% Small Business Enterprise goal and a 3% Disabled Veteran Business Enterprise goal. Task orders will be issued on a fixed-price basis.

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

- Amendment No. 1, issued on November 14, 2019, extended the RFP due date to December 2, 2019 and clarified that three hard copies of Volume 1 would be required at the time of submission;
- Amendment No. 2, issued on November 22, 2019, extended the proposal due date to December 5, 2019.

A pre-proposal conference was held on November 6, 2019 and was attended by two participants representing two companies. During the solicitation phase, four questions were asked and responses were released prior to the proposal due date.

A total of 51 firms downloaded the RFP and a total of nine proposals were received on December 5, 2019: six proposals were received for Discipline 1: Financial Advisory Support Services; and three proposals were received for Discipline 2: Strategic Advisory/Advocacy Services.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro's Regional Rail, Government Relations and Office of Extraordinary Innovation was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

Discipline 1:

- | | |
|---------------------------------------|------------|
| • Skill and Experience of the Team | 30 percent |
| • Financial Advisory Service Approach | 30 percent |
| • Project Understanding | 20 percent |
| • Price | 20 percent |

Discipline 2:

- | | |
|---|------------|
| • Skill and Experience of the Team | 30 percent |
| • Strategic Advisory/Advocacy Services Approach | 30 percent |
| • Project Understanding | 20 percent |
| • Price | 20 percent |

The evaluation criteria are appropriate and consistent with criteria developed for other similar on-call project delivery support services. Several factors were considered when developing these weights, giving the greatest importance to Skill and Experience of the Team, Financial Advisory Service Approach and Strategic Advisory/Advocacy Services Approach.

During December 9, 2019 through January 7, 2020, the PET completed its independent evaluation of the nine proposals received.

Of the six proposals received for Discipline 1, four were determined to be within the competitive range and are listed below in alphabetical order:

1. Deloitte Transactions and Business Analytics LLP (Deloitte)
2. Ernst & Young Infrastructure Advisors, LLC (Ernst & Young)
3. InfraStrategies LLC (InfraStrategies)
4. Sperry Capital, Inc. (Sperry)

Two firms were determined to be outside the competitive range and were not included for further consideration. Examples that led to no further consideration included limited focus on private funding, little to no discussion on challenges in securing funding for Metro Regional Rail capital projects and a lack of strategies on how Metro should pursue revenue sources.

Of the three proposals received for Discipline 2, two were determined to be within the competitive range and are listed below in alphabetical order:

1. Deloitte Transactions and Business Analytics LLP (Deloitte)
2. WSP USA, Inc. (WSP)

One firm was determined to be outside the competitive range and was not given any further consideration. Examples that led to no further consideration included, but not limited to, lacking a detailed approach to address challenges in performing strategic/advisory services; limited and/or non-existent outreach and advocacy experience; as well as limited experience in legislative strategy.

During the week of January 27, 2020, the PET interviewed the firms. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the PET's questions. In general, each team's presentation addressed the requirements of the RFP, experience with all aspects of the required tasks, and stressed each firm's commitment to the success of the project.

Qualifications Summary of Firms within the Competitive Range:

Discipline 1: Financial Advisory Support Services

Deloitte

Deloitte has experience with federal grants for transportation projects. They exhibited expertise in financial assessment, business case analysis, and real estate development feasibilities. The firm demonstrated their knowledge in all value capture strategies including Enhanced Infrastructure Financing Districts (EIFD). The firm provided a clear organization chart with key team members defined along with their relevant roles and responsibilities. Deloitte addressed challenges and mitigation strategies across a variety of the services and interfaces at Metro, including thoughtful approaches to address those challenges.

Ernst & Young

Ernst & Young has extensive experience across a range of services that include devising and comparing financial plans and delivery approaches for projects and implementation of those plans. They have demonstrated proven experience in working with different entities to secure funding for both transportation and development projects in public and private sectors. Ernst & Young is knowledgeable in the Transportation Infrastructure Finance and Innovation Act (TIFIA) and the Railroad Rehabilitation & Improvement Financing (RRIF) program. The firm provided a well-defined organizational chart that identified key personnel and related areas of expertise for subconsultants. The team has demonstrated its knowledge and experience with a variety of funding sources which will be a benefit in developing a funding plan and financial model for the services required under this discipline.

InfraStrategies

InfraStrategies has a track record in securing State and Federal grants for transportation projects. The firm offered a realistic approach to prioritizing, funding and implementing the Regional Rail projects based on relevant experience with Metro and other agencies in Southern California. A clear and concise organizational chart was provided, identifying key positions and support staff. The chart also described the strong relationship the key members of the team has at the local, state and federal levels.

Sperry

Sperry has experience in all aspects of financial advisory services on transportation projects. The firm provided a description of experience working with agencies, private entities and diverse stakeholders. Sperry offered a logical approach to prioritizing, funding and implementing the Regional Rail projects. Their organizational chart demonstrated hierarchies, roles and responsibilities and areas of staff expertise.

Discipline 2: Strategic Advisory/Advocacy Services

Deloitte

Deloitte detailed an approach to stakeholder engagement which incorporated opportunities for review and adjustment by Metro. They proposed to use a variety of analytical tools and methods to develop a results-oriented approach on stakeholder engagement. The firm's organizational chart defined roles and responsibilities of the key personnel.

WSP

WSP is skilled and experienced in providing strategic/advocacy services from past and recent engagements with Metro, Southern California Regional Rail Authority (SCRRA) and Coastal Rail (LOSSAN). The firm has a reasonable approach to building support amongst stakeholders and building support for new legislation regarding funding for rail projects. WSP also demonstrated an in depth

understanding of state and regional agency partners for Regional Rail service. Their organizational chart included staff in key positions with well defined roles.

The following is a summary of the PET evaluation scores:

Discipline 1: Financial Advisory Support Services

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	InfraStrategies LLC				
3	Skill and Experience of the Team	75.56	30.00%	22.67	
4	Financial Advisory Service Approach	75.42	30.00%	22.63	
5	Project Understanding	70.00	20.00%	14.00	
6	Price	100.00	20.00%	20.00	
7	Total		100.00%	79.30	1
8	Deloitte Transactions and Business Analytics LLP				
9	Skill and Experience of the Team	65.56	30.00%	19.67	
10	Financial Advisory Service Approach	75.83	30.00%	22.75	
11	Project Understanding	86.67	20.00%	17.33	
12	Price	82.70	20.00%	16.54	
13	Total		100.00%	76.29	2
14	Sperry Capital, Inc.				
15	Skill and Experience of the Team	95.56	30.00%	28.67	
16	Financial Advisory Service Approach	90.00	30.00%	27.00	
17	Project Understanding	84.45	20.00%	16.89	
18	Price	13.30	20.00%	2.66	
19	Total		100.00%	75.22	3
20	Ernst & Young Infrastructure Advisors, LLC				
21	Skill and Experience of the Team	90.00	30.00%	27.00	
22	Financial Advisory Service Approach	82.50	30.00%	24.75	
23	Project Understanding	77.80	20.00%	15.56	
24	Price	25.55	20.00%	5.11	
25	Total		100.00%	72.42	4

Discipline 2: Strategic Advisory/Advocacy Services

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	WSP USA, Inc.				
3	Skill and Experience of the Team	92.22	30.00%	27.67	
4	Strategic Advisory/Advocacy Services Approach	88.33	30.00%	26.50	
5	Project Understanding	84.43	20.00%	16.89	
6	Price	46.65	20.00%	9.33	
7	Total		100.00%	80.39	1
8	Deloitte Transactions and Business Analytics LLP				
9	Skill and Experience of the Team	64.44	30.00%	19.33	
10	Strategic Advisory/Advocacy Services Approach	67.92	30.00%	20.38	
11	Project Understanding	78.88	20.00%	15.78	
12	Price	100.00	20.00%	20.00	
13	Total		100.00%	75.49	2

C. Cost Analysis

Firm fixed hourly rates from all recommended firms have been determined to be fair and reasonable based upon an independent cost estimate (ICE), cost analysis, technical analysis, fact finding and negotiations.

Work will be performed through the issuance of separate task orders. Each task order will require an ICE, cost analysis, technical analysis, fact finding, and negotiation prior to award.

D. Background on Recommended Contractors

Deloitte Transactions and Business Analytics LLP (Deloitte)

The recommended firm, Deloitte, has a growing presence in the Southern California Region, with offices in Downtown LA and Manhattan Beach. The firm has been in business for over 100 years and provides audit, tax, consulting and financial advisory services. Deloitte has served as advisor on multiple loans including Metro’s Westside Purple Line Transit Extension Section 2, Washington Metropolitan Area Transit Authority’s Potomac Yard Metrorail Station and LYNX Blue Line Transit Extension in North Carolina.

Deloitte's Project Manager has 32 years of experience in P3s and transportation projects, having advised on many prominent transactions over the past decade. The project team has knowledge and experience with Metro's transportation system and needs, but also has experience in performing financial advisory support services, innovative and alternative funding and transportation management programs in North America and globally.

Ernst & Young Infrastructure Advisors, LLC (Ernst & Young)

The recommended firm, Ernst & Young, has been in business for 31 years. The firm provides several different services including financial and commercial transaction advisory services as well as advising on infrastructure-related policies, programs and initiatives.

The proposed Project Manager has 10 years of experience advising government agencies on the funding, finance and delivery of large-scale rail and transit infrastructure projects. Many of the Ernst & Young team members are Los Angeles-based and have experience serving Metro. Some of their notable past projects have been Measure M Unsolicited Proposal and Sepulveda Transit Corridor. They have also worked on program development of major transit hubs including the Moynihan Train Hall in New York City and loans for redevelopment of major transit hubs such as Denver Union Station.

InfraStrategies LLC (InfraStrategies)

The recommended firm, InfraStrategies has been in business since 2000. The firm has three offices in Southern California and is a strategic advisory firm that specializes in transit project development and advocacy, infrastructure funding and finance, financial analysis and planning, innovative project delivery and P3.

InfraStrategies has a history of successfully working for partners in the regional rail system as well as for Metro with past projects that include Financial Strategy and Grant Development for Link US, Willowbrook/Rosa Parks Station Area Master Plan and Crenshaw/LAX Transit Corridor. The Project Manager brings 10 years of experienced leadership, having worked at the federal, state and local levels.

Sperry Capital, Inc. (Sperry)

The recommended firm, Sperry, located in Sausalito, California, has been in business for 26 years. The firm is an independent infrastructure and finance advisory service firm that has supported similar project delivery efforts both on the advisory side and on the program sponsor side.

Sperry has performed satisfactorily on Metro projects including West Santa Ana Branch Financial Advisor, Metro ExpressLanes Financial Advisor, and Metro Unsolicited Proposal Program. The firm has also worked on the development of major transit hubs including the Transbay Terminal in San Francisco. Sperry's Project Manager has over 20 years of experience in providing infrastructure advisory

services to a host of public and private sector clients. Their pool of key staff blends their relevant, local and international expertise members for this project.

WSP USA, Inc. (WSP)

The recommended firm, WSP, has been in business for over 100 years and has offices in Los Angeles as well as other parts of the United States. The firm provides strategic, financial and legislative support to local, regional and statewide rail systems.

WSP has established working relationships with Metro through its performance on past contracts that include Grant Assistance, Transportation Industrial Park and Antelope Valley Line Study. The firm's Program Manager has managed organizational structure, capacity, and improvement analyses for the rail, freight, port, and other public transportation projects, transportation policy research and analysis for major urban economic development projects and project prioritization and delivery. The project team itself has legislative knowledge and demonstrated ability to advocate and build support for the implementation of commuter rail projects. The team bring expertise in the full spectrum of services required in the scope of work.