

PROCUREMENT SUMMARY

**WESTSIDE PURPLE LINE EXTENSION SECTION 3 STATIONS PROJECT-
DESIGN/BUILD
CONTRACT NO. C45161C1152**

1.	Contract Number: C45161C1152	
2.	Recommended Vendor: Tutor Perini/O&G, JV, a Joint Venture	
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: 9-15-2017	
	B. Advertised/Publicized: 9-15-2017	
	C. Pre-Proposal Conference: 10-9-2017	
	D. Proposals Due: 08-22-2018	
	E. Pre-Qualification Completed: 1-23-2018	
	F. Conflict of Interest Form Submitted to Ethics: 8-24-2018	
	G. Protest Period End Date: 3-2-2019	
5.	Solicitations Picked up: 66	Bids/Proposals Received: 3
6.	Contract Administrator: Albert Soliz	Telephone Number: 213-418-3110
7.	Project Manager: Kimberly Ong	Telephone Number: 213-312-3143

A. Procurement Background

This Board Action is to approve the award of a design-build “Best Value” procurement issued in support of the Westside Purple Line Extension Section 3 Stations Project (Project). This Project will extend the existing heavy rail subway Purple Line approximately 2.59 miles from the future Century City Constellation Station site and includes two stations - the Westwood/UCLA Station and Westwood/VA Hospital Station. The Section 3 alignment extends beneath the City of Los Angeles, Caltrans (I-405), County of Los Angeles, and Veterans Affairs (VA) Hospital property. Board approval of the contract award is subject to resolution of any properly submitted protest(s).

The Work under this contract includes, but is not limited to, furnishing all management, coordination, professional services, labor, equipment, materials and other services to perform the final design and construction of Stations, Trackwork, Utilities and Systems of the Project. The contract type is a firm fixed price.

A Request for Qualification (RFQ)/Request for Proposal (RFP) was issued on September 15, 2017. A pre-proposal conference was held on October 9, 2017, in the Board Room with representatives of approximately 200 firms in attendance. A networking event was held for the subcontracting community, including DBEs immediately after the conference.

The RFQ/RFP implemented a two-phase negotiated procurement in accordance with California Public Contract Code § 22160-22169 and in accordance with Metro's Acquisition Policy. The first phase of the procurement was a request for Statement of Qualifications (SOQ), where a qualification evaluation team determined the entities pre-qualified to proceed to the second phase, submitting a proposal. Five SOQs were received on November 13, 2017.

On January 11, 2018, the qualification evaluation team determined all five respondents qualified to participate in the second phase of the procurement process and submit proposals. The firms were:

- AECOM Westside Partners
- Healy Dragados PL3S, JV
- Skanska-Obayashi, JV
- Tutor Perini/O&G, JV
- Walsh-Traylor JV

The second phase of the procurement process sought Request for Proposals (RFP), due on August 22, 2018. Proposers were required to provide the following:

Administrative Submittal - Providing licensing, certifications, disclosure of litigation, Disadvantaged Business Enterprise (DBE) and subcontractor information, past performance, organizational documents, and insurance requirements.

Project Management Submittal – Providing information that addressed skill and experience, approach to management, design and construction, DBE Contracting Outreach, risk, safety, quality and schedule.

Technical Approach Submittal – Requesting proposer's understanding of the technical issues, scope and approaches to develop and effectively execute appropriate and efficient solutions to technical issues for utilities, traffic engineering, drainage, trackwork, general civil works, station design, geotechnical, environmental compliance, traffic management, jurisdictional coordination, track electrification, signaling, communications, ventilations, and system integration.

Pricing Submittal – Providing the proposer's price for the following: Base Proposal (base work), Provisional Sums, Unit Prices, Delay Compensation, and Life Cycle Costs.

During the solicitation, Proposers and subcontractors submitted technical and commercial questions that were recorded, reviewed, and responses issued by Metro staff. Formal written answers to 212 questions were provided to the 70 planholders.

Twelve amendments were issued to the RFQ/RFP during the solicitation process:

- Amendment No. 1, issued on October 13, 2017, clarified the Key Personnel years of experience and the Disadvantaged Business Enterprise (DBE) Program requirements;
- Amendment No. 2, issued on November 3, 2017, clarified Metro's Local Hire Initiative and replaced a duplicate question on the past performance questionnaire;
- Amendment No. 3, issued on December 15, 2017, provided RFP Reference Documents and revised reference drawings;
- Amendment No. 4, issued on December 29, 2018, revised portions of the Project Definition Documents;
- Amendment No. 5, issued on January 23, 2018, announced the firms which met the minimum pre-qualification requirement to submit Proposals;
- Amendment No. 6, issued on February 7, 2018, revised portions of the Project Definition Documents and drawings;
- Amendment No. 7, issued on March 23, 2018, revised portions of Project Definition Documents, Reference Documents and schedules;
- Amendment No. 8, issued on April 2, 2018, added additional Reference Documents and Definition Drawings;
- Amendment No. 9, issued on April 5, 2018, revised the Proposal Due date to June 22, 2018;
- Amendment No. 10, issued on April 25, 2018, revised portions of the Project Definition Documents and Reference Documents;
- Amendment No. 11, issued on May 15, 2018, revised the Proposal Due date to August 22, 2018 and;
- Amendment No. 12, issued on June 6, 2018, revised the General Condition for Subcontractor Costs and revised portions of the Project Definition Documents, Reference Documents and schedules.

Three proposals were received on August 22, 2018, from the following firms:

- AECOM Westside Partners, comprised of AECOM Energy & Construction, Inc., of Los Angeles; California, Shimmick Construction Company, Inc., of Irvine, California, an AECOM company; Tishman Construction Corporation of Los Angeles, California, an AECOM company; and a joint venture of AECOM Technical Services Inc., of Los Angeles, California and FMG Architects Design, of Los Angeles.
- Healy Dragados PL3S JV, a joint venture of S.A. Healy Company of Henderson, Nevada and Dragados USA, Inc., of Costa Mesa, California.
- Tutor Perini/O&G, JV, a joint venture of Tutor Perini Corporation of Sylmar, California and O&G Industries, Inc. of Torrington, Connecticut.

Two pre-qualified firms, Skanska-Obayashi, JV and Walsh-Traylor JV, elected to not submit proposals, citing commitments to other projects.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of one representative each from Metro Program Management, Systems Engineering, and Transportation Planning conducted a comprehensive evaluation of the proposals received, in accordance with the factors and sub-factors set forth in the RFP and Source Selection Plan to assign a score and ranking. Additionally, the PET was supported by 15 subject matter experts (SME) in key areas of the evaluation criteria, who reviewed those portions of the proposals and provided written reports to the PET to aid in the evaluation. Only members of the PET scored the Proposals.

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

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|---|---------------------------|
| • Project Management | 45 percent |
| • Technical Approach | 20 percent |
| • Price | 35 percent |
| • A Prompt Payment to Subcontractors Initiative | 5 percent (bonus scoring) |

The Proposers could opt for the prompt payment initiative, noted above, that requires the prime contractor to pay its first tier subcontractors for work completed prior to submitting its monthly billing to Metro. This triggers the cascading of earlier payments where each subcontractor must make payment to their subcontractors of undisputed amounts within 7 days of having received payment. In return, Metro provides terms of Net 21 days payment of undisputed amounts to the Contractor.

Proposers received written Requests for Clarification from the PET regarding topics, such as, work experience, key personnel assignments, management approach, design approach, schedule, risk management approach and organizational documents. DEOD also sought clarification on the DBE participation forms submitted in the proposals.

During the period of November 6, 2018 to November 18, 2018, each proposing team provided an oral presentation to the PET for the purpose of highlighting certain aspects of their written proposals, enhance the PET's understanding of the Proposals and facilitate the evaluation process. The agenda of the presentation was standardized in duration and topics for each Proposer that was followed by standardized questions asked by the PET. Each of the Proposer's responses to those questions were followed by formal written responses to provide each team the best opportunity to highlight strengths within their Proposal.

Upon the conclusion of oral presentations and the receipt of all clarifications, the PET finalized the Technical Approach and Project Management evaluation scoring.

Price Proposals were evaluated for price reasonableness and scored in compliance with the methods set forth in the RFP and Source Selection Plan, see Section C, Cost/Price Analysis. The results of the weighted scoring were then added to arrive at the cumulative total score for each Proposal.

Each of the three proposals were responsive to the requirements of the RFP, including evidence of bonding capability, insurability, current contract licenses, appropriate and duly notarized joint venture agreements, as well as disclosure of litigation.

Based upon the final scoring of the Evaluation Criteria weightings, the PET determined that a recommendation for Award could be made without further Discussions or Best and Final Offer (BAFO).

A summary of the of the final evaluation criteria scores for each Proposal is provided below:

Firm	Average Score	Factor Weight	Weighted Average Score	Rank
Tutor Perini/O & G, JV				
Project Management	86.69	45.00%	39.01	
Technical Approach	87.20	20.00%	17.44	
Price	98.57	35.00%	34.50	
*Voluntary Payment to Subcontractors Initiative	100.00	5.00%	5.00	
Total		105.00%	95.95	1
Healy Dragados PL3S, JV				
Project Management	83.27	45.00%	37.47	
Technical Approach	81.50	20.00%	16.30	
Price	89.14	35.00%	31.20	
*Voluntary Payment to Subcontractors Initiative	100.00	5.00%	5.00	
Total		105.00%	89.97	2
AECOM Westside Partners				
Project Management	83.38	45.00%	37.52	
Technical Approach	82.10	20.00%	16.42	
Price	87.37	35.00%	30.58	
*Voluntary Payment to Subcontractors Initiative	100.00	5.00%	5.00	
Total		105.00%	89.52	3

Scores rounded to the second decimal

** All Proposers received full credit.*

Evaluation Outcome

Each of the proposals was determined to have met or exceeded the minimum requirements of the evaluation scoring standards. While all proposers are capable of performing the work, the PET’s evaluation determined that it need not consider any tradeoff factors in determining the Best Value.

Based on the assessment of all proposals, the Proposal Evaluation Team determined, in accordance with the specified evaluation factors and sub-factors, that the Tutor Perini/O&G, JV Proposal offers the Best Value overall, and is the most advantageous to Metro.

Significant strengths of Tutor Perini/O&G, JV’s Proposal included their understanding of attaining approval of project plans from agencies and jurisdictions involved in the Project; the ability to transition subcontractors from the Section 2 project; and the lowest responsive price.

C. Cost/Price Analysis

A line by line proposal pricing evaluation for price reasonableness was performed and is documented in the procurement file. Each price proposal was evaluated for price reasonableness to determine if the proposer’s price fully contemplated the required work; unbalanced pricing that evaluates, despite an acceptable total evaluated price, the price of one or more line items is significantly overstated or understated; and the proposer’s ability to perform the work for the stated pricing compared to Project Management and Technical Approach submittal.

The price of the recommended award is determined to be fair and reasonable based on Metro’s budget, corresponding funding levels, adequate price competition, and comparison to the independent cost estimate which was submitted concurrently with the proposals.

Proposer Name	Total Price Proposal ¹	Total ICE ² Price Proposal	Award Price ³	ICE ² Award Price ³
AECOM Westside Partners	\$1,673,015,004	\$1,328,583,699	\$1,591,840,500	\$1,241,176,270
Healy Dragados PL3S, JV	\$1,554,333,297		\$1,428,892,540	
Tutor Perini/O&G, JV	\$1,450,424,058		\$1,363,620,000	

Note¹: The Total Price Proposal includes the Base Work, Provisional Sums, Unit Prices, Delay Compensation, and Life Cycle Costs.

Note²: The Independent Cost Estimate (ICE) amounts are submitted before the due date and opened concurrently with the other Proposals.

Note³: The Award Price includes Base Work and Provisional Sums only.

Tutor Perini/O&G, JV is also the contractor for the Purple Line Section 2 work and a part of the joint venture awarded the Section 3 Tunnels work, as such, Tutor Perini/O&G, JV offered LACMTA within its Proposal a simplified solution to integrating and coordinating this Contract with the other two existing Purple Line contracts. The declaration was not considered in the evaluation by the PET, but was further confirmed and clarified by the LACMTA Contracting Officer and affirmed as to be added to the Contract requirements, if the Proposer was the successful Proposer.

This added provision provides for integration of the Purple Line contracts, as if the Contractor is managing one contract, without combining Key Personnel or other key resources, to significantly reduce the risks of Delay and cost overruns between the Contracts due to the contractor's actions or inactions.

D. Background of Recommended Contractor

Tutor Perini/O&G, JV is a fully integrated joint venture between Tutor Perini Corporation (Tutor Perini), the Managing Partner with 75% equity, and O&G Industries, Inc. (O&G) with 25% equity.

Tutor Perini Corporation, headquartered in Sylmar, California, is ranked 10th on Engineering News-Record (ENR)'s Top 400 Contractors list for 2018. Tutor Perini Corporation has performed work on very large projects in the City of Los Angeles, throughout California, and the US, including more than 20 separate projects for LACMTA's underground system. Recent major project experience includes Purple Line Extension Section 2, the Third Street Light Rail Program Phase 2, Gold Line Eastside Extension and California High Speed Rail Construction Package 1.

O&G Industries, Inc. is a privately held company, is ranked 321st on Engineering News-Record (ENR)'s Top 400 Contractors list for 2018 and is one of the largest heavy civil contractors in the Northeast. O & G has worked with Tutor Perini on large projects in the past. Locally, Tutor Perini and O & G delivered the D-B Alameda Corridor Project in south Los Angeles.

STV is the lead design firm and is currently ranked 7th among ENR's Top 25 in Mass Transit and Rail and 9th among the Top 50 in the Transportation category. STV has worked with Tutor Perini on design-build transportation projects throughout the United States since 1997, as well as on Section 2.