

## PROCUREMENT SUMMARY

NORTH HOLLYWOOD TO PASADENA BUS RAPID TRANSIT (BRT) PROJECT –  
FINAL DESIGN SERVICES / AE112357000

1.	<b>Contract Number:</b> AE112357000	
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> 8/31/2023	
	<b>B. Advertised/Publicized:</b> 8/31/2023	
	<b>C. Pre-Proposal Conference:</b> 9/21/2023	
	<b>D. Proposals Due:</b> 10/16/2023	
	<b>E. Pre-Qualification Completed:</b> 3/12/2024	
	<b>F. Ethics Declaration Forms Submitted to Ethics:</b> 10/19/2023	
	<b>G. Protest Period End Date:</b> 5/20/2024	
5.	<b>Solicitations Picked up/Downloaded:</b> 103	<b>Proposals Received:</b> 3
6.	<b>Contract Administrator:</b> Anush Beglaryan	<b>Telephone Number:</b> (213) 418-3047
7.	<b>Project Manager:</b> Anthony Defrenza	<b>Telephone Number:</b> (213) 922-7107

**A. Procurement Background**

This Board Action is to approve Contract No. AE112357000 issued in support of Plans, Specifications, and Estimate (PS&E) Services for the North Hollywood to Pasadena Bus Rapid Transit (BRT) Project. Board approval of contract awards are subject to the resolution of any properly submitted protest(s), if any.

The Request for Proposals (RFP) was issued in accordance with Metro's Acquisition Policy and the contract type is cost reimbursable plus fixed fee.

One amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on October 2, 2023, clarified Exhibits.

On September 21, 2023, a virtual pre-proposal conference was held with a total of 46 individuals in attendance. There were three sets of questions and responses released prior to the proposal due date.

A total of 103 firms downloaded the RFP and were registered in the plan holder's list. A total of three proposals were received on October 16, 2023.

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from Metro's Engineering Office, Planning & Development, and Program Control was convened and conducted a comprehensive technical evaluation of the proposals received.

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

• Degree of the Skill and Experience of Proposed Team	45 Points
• Effectiveness of Project Management Plan	20 Points
• Project Understanding and Approach	30 Points
• Approach to Cultural Competency	<u>5 Points</u>
	100 Points

The evaluation criteria are appropriate and consistent with criteria developed for other, similar Architectural and Engineering (A&E) procurements. Several factors were considered when developing these weights, giving the greatest importance to the Degree of the Skill and Experience of Proposed Team and Project Understanding and Approach.

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

All three proposals received were determined to be within the competitive range and are listed below in alphabetical order:

1. Arcadis
2. HDR Engineering, Inc.
3. STV, Inc.

During November and December 2023, the PET reviewed and scored each proposal. On January 23, 2024, the PET met and interviewed all three firms. The firms' project managers and key team members had an opportunity to present each team's experience and qualifications for completing design work on similar projects.

### **Qualifications Summary of Recommended Firm:**

HDR Engineering, Inc. (HDR) demonstrated similar past PS&E experience with BRT projects and has proposed a highly qualified team that possesses public transportation experience and has successfully delivered more than 80 BRT projects nationwide. Their proposal provided a thorough understanding of the project and

their approach to performing the design work. HDR achieved the highest average score of 4.33 for their Approach to Cultural Competency.

After evaluation of proposals and interviews, the PET's recommendation in the order of ranking is shown in the table below:

1	Firm	Weighted Average Score	Factor Weight	Average Score	Rank
2	<b>HDR ENGINEERING, INC.</b>				
3	Degree of the Skill and Experience of Proposed Team	94.82	45.00%	42.67	
4	Effectiveness of Project Management Plan	80.00	20.00%	16.00	
5	Project Understanding and Approach	78.89	30.00%	23.67	
6	Approach to Cultural Competency	86.67	5.00%	4.33	
7	<b>Total</b>		<b>100.00%</b>	<b>86.67</b>	<b>1</b>
8	<b>STV, INC.</b>				
9	Degree of the Skill and Experience of Proposed Team	74.82	45.00%	33.67	
10	Effectiveness of Project Management Plan	68.33	20.00%	13.66	
11	Project Understanding and Approach	85.57	30.00%	25.67	
12	Approach to Cultural Competency	73.33	5.00%	3.67	
13	<b>Total</b>		<b>100.00%</b>	<b>76.67</b>	<b>2</b>
14	<b>ARCADIS</b>				
15	Degree of the Skill and Experience of Proposed Team	68.89	45.00%	31.00	
16	Effectiveness of Project Management Plan	75.00	20.00%	15.00	
17	Project Understanding and Approach	83.33	30.00%	25.00	
18	Approach to Cultural Competency	80.00	5.00%	4.00	
19	<b>Total</b>		<b>100.00%</b>	<b>75.00</b>	<b>3</b>

### **C. Cost/Price Analysis**

Consistent with Metro's procurement procedures, prior to when the RFP was issued, Metro's technical staff prepared an Independent Cost Estimate (ICE) based on the estimated Level of Effort (LOE) (staff positions/labor hours) required by the Scope of Services (SOS) included in the RFP. The ICE provided the basis for Metro's development of pre-negotiation objectives and Metro's negotiation position.

Subsequent to reviewing the cost proposal of the most qualified firm, staff initiated negotiations with the following objectives: (1) to negotiate and reduce the cost; (2) to clarify the proposer's assumptions, estimates, inclusions and exclusions to the SOS; and (3) to arrive at a mutually agreeable fair and reasonable LOE and Not-to-Exceed (NTE) cost for this cost reimbursable contract.

<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated or NTE amount</b>
HDR Engineering, Inc.	\$41,808,116	\$18,982,200	\$29,846,544

HDR Engineering Inc.'s initial cost proposal was \$41,808,116. Staff successfully negotiated this down to \$29,846,544, reflecting a cost savings of \$11,961,572. Staff determined that HDR's original cost proposal identified labor hours which were outside of the SOS included in the RFP. Also, HDR's original cost proposal improperly included speculative contingency for risk of future regulations.

The difference of \$10,864,344 between Metro's ICE and the negotiated NTE amount is due to the following factors:

- The project corridor encompasses four cities. The ICE assumed that within the PS&E team, two design groups would advance the design in parallel, each responsible for two of the four cities. HDR's proposal includes staffing for five design groups, one for each of the four municipalities and one for the development of design for early works construction. The additional staffing necessary to coordinate work among five teams results in the largest difference between the ICE and the negotiated amount. During negotiations, HDR justified their proposed five-team approach as being the most efficient way to perform the project's Scope of Services and manage the relationship with each of the four cities. Metro's project team agrees that the improved ability to respond to the cities' specific concerns afforded by this approach will mitigate the risk of overall project schedule impacts caused by one city or individual reviewer and warrants the additional staffing and costs as proposed by HDR.
- When the ICE was developed, the project cooperative agreements with the City of Burbank, City of Glendale, City of Los Angeles, and City of Pasadena were under development, with a target to finalize agreements before the PS&E contract was awarded. Three of the four agreements are still under negotiations; accordingly, some of the durations for city activities that have an impact on the overall design schedule have not been finalized. HDR's approach provides for a 17.5-month overall design duration compared to a 16-month overall design duration assumed in the ICE. This additional time, which Program Management agrees with, allows for more flexibility in accommodating the cities' reviewing durations within the overall proposed LOE.

The Metro project team, in collaboration with the PS&E team, will regularly evaluate the assigned PS&E staff and the organization of the PS&E team and work collaboratively to make adjustments as necessary to deliver the design as efficiently and cost-effectively as possible.

**D. Background on Recommended Contractor**

The recommended firm, HDR Engineering, Inc. (HDR), located in Los Angeles, CA, was founded in 1917. HDR's Los Angeles office has been in business for more than 17 years and has been conducting business with various Los Angeles agencies, including LA Metro. HDR has demonstrated successful past similar experience providing PS&E services for other major transit projects in Los Angeles County as well as actively working on Metro projects such as the I-105 ExpressLanes, Southeast Gateway Line (Formerly West Santa Ana Branch Transit Corridor), and Purple (D Line) Extension Project.