



Expo

Exposition Metro Line
Construction Authority

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DATE: NOVEMBER 2, 2006

TO: BOARD OF DIRECTORS

FROM: RICHARD D. THORPE 
CHIEF EXECUTIVE OFFICER

ACTION: APPROVE THE CEO RECOMMENDATION FOR THE PHASE II EXPO PROJECT MOST QUALIFIED PROPOSER, AUTHORIZE THE CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT FOR ENGINEERING AND ENVIRONMENTAL CONSULTING SERVICES, AND ISSUE A LIMITED NOTICE-TO-PROCEED FOR AN INITIAL PORTION OF THE WORK

RECOMMENDATION

- A. Approve recommendation from the Evaluation Committee and CEO for the most qualified Proposer under RFP 5-06 (Phase II Environmental & Consultant Services);
- B. Authorize the CEO to negotiate an Agreement for Stage 1 Engineering and Environmental Consulting Services with the recommended Consultant; and
- C. Authorize the CEO to issue a limited Notice-to-Proceed (NTP 1A) for the EIS/EIR scoping and related activities included in the Stage 1 work for an amount not-to-exceed \$750,000.

SUMMARY

At its meeting on August 3, 2006, a Receive and File report was submitted by Authority staff regarding its issuance of a Request for Proposals for Engineering and Environmental Consulting Services for Phase II of the Mid-City/Exposition Corridor Project. As a result of that RFP process, the CEO is recommending the selection of the most qualified Proposer and that the work be negotiated and authorized in three stages.

Upon approval by the Board, staff will immediately negotiate and authorize a limited Notice-to-Proceed for the scoping tasks included in Stage 1, and will negotiate a not-to-exceed price for all remaining work included in Stage 1 of the project, which will take the work through completion of the draft EIS/EIR. These negotiations will also establish direct labor and fixed overhead rates for the work. This staged approach allows the Authority to clearly define the scope of work and the contract price for each Stage prior to Board authorization. Prices for Stage 2 work and the Stage 3 option (if exercised) will be established through future negotiations.

DISCUSSION

The Authority requires the services of a highly qualified transportation planning, environmental and engineering design firm to study alternatives and environmentally clear a locally preferred alternative for Phase II of the Mid-City/Exposition project. The study corridor extends from the current planned terminus of the Mid-City/Exposition Light Rail Transit Project at Washington/National Station in the City of Culver City to an end-of-line station near 5th Street/Colorado Boulevard in the City of Santa Monica over a distance of between 6-8 miles.

The Scope of Work for Phase II has been divided into three distinct stages, and, if awarded, separate notices to proceed will be issued for each stage. Required work includes the following:

- Stage 1- Alternatives Analysis/ Draft Environmental Impact Statement/ Environmental Impact Report (AA/DEIS/DEIR) and conceptual engineering to support the AA/DEIS/DEIR
- Stage 2- Final EIS/EIR and Preliminary Engineering to support the FEIS/FEIR
- Stage 3 (Option)- Engineering support services after environmental clearance, including support during negotiation of a Full Funding Grant Agreement, design services during construction, and supplemental environmental services during construction. This stage requires the exercise of an option.

Qualifications-Based Approach

State and federal law require the use of a qualifications-based approach when a public entity is securing professional (e.g., engineering and/or environmental) services. The selection must be based initially on qualifications and price is then negotiated with the most qualified Proposer. This qualifications-based procurement method excludes price as an

evaluation factor; however, the price must be deemed fair and reasonable by the Authority.

Procurement History

The Authority issued RFP No. 5-06 on August 3, 2006, and publicized the RFP on the same day in two local newspapers and on the Authority website. In addition, the RFP package was sent to over 150 engineering and/or environmental firms, including 46 DBE firms, via electronic mail. A pre-proposal conference was held on August 14, 2006, and approximately 20 firms were in attendance. Two addenda to the RFP were issued by the Authority prior to the proposal deadline date, in order to clarify any real or perceived ambiguities in the RFP document and to provide formal responses to questions submitted by potential Proposers. The proposal deadline was September 26, 2006. Three firms/teams submitted proposals prior to the stated deadline, and each Proposer was deemed 'Acceptable' under the terms of the RFP.

All proposals were scored and ranked by an Evaluation Committee ("Committee"). The Committee consisted of two subcommittees with Environmental and Engineering expertise, respectively. The two subcommittees were chaired by highly experienced senior staff from other transit authorities with relevant and recent experience selecting and managing similar consultant contracts. The remaining members of the two subcommittees were qualified planning and engineering staff from the cities in the corridor, the County, the Authority, and Metro. All participants in the evaluation process were required to sign a comprehensive confidentiality/conflict of interest disclosure form to ensure objectivity.

The evaluation process and scoring methodology was formally documented in a confidential handbook that was carefully designed to ensure that no single member could unduly influence the scoring and/or membership in the committees. The evaluation process was used to analyze the merits of each proposal in accordance with the evaluation criteria set forth in the RFP, and, based on that assessment, the Committee members scored the proposals. The selection process also included the Committee's participation in formal presentations and interviews with each of the three Proposers. Finally, the audited financials submitted by each of the firms were reviewed to ensure that each firm, and all major subcontractors, possessed adequate resources to complete the project successfully.

The three Proposer teams were led by the following three prime consultant firms, all of which submitted proposals prior to the stated deadline: 1) CDM; 2) DMJM Harris; and 3) Parsons Brinckerhoff, Quade & Douglas (PBQD). The proposals submitted by the three firms were scored by the Committee. The evaluation consisted of the non-price factors defined in the RFP,

including experience, work plan, relative qualifications, and each firm's ability to respond to the requirements set forth under the scope of work. The final scoring is shown below in Table 1, where the maximum possible score was 200 points.

Table 1

FIRM	SCORE (200 Max.)
DMJM Harris	175.01
PBQD	172.08
CDM	141.92

The top-ranked firm was DMJM Harris. Parsons Brinckerhoff Quade & Douglas and CDM were ranked second and third, respectively. Since it earned the highest total evaluation score, the Committee recommended DMJM Harris as the most qualified Proposer. After review and consideration of the Committee's findings, the CEO is recommending DMJM Harris as the most qualified Proposer.

Following approval of the recommended action, the Authority will negotiate a not-to-exceed price for all work included in Stage 1 of the project, which will take the work through completion of the draft EIS/EIR. These negotiations will also establish a specific amount for the EIS/EIR scoping and other early project activities (included within Stage 1) that will be covered by the initial limited Notice-to-Proceed (NTP 1A). Prices for Stage 2 work and the Stage 3 option (if exercised) will be established through future negotiations. This staged approach allows the Authority to clearly define the scope of work and the contract price for each Stage prior to authorizing the work for that stage. This is appropriate and necessary because the scope and type of the preferred alternative resulting from the EIS/EIR process cannot be pre-assumed and must be defined through the EIS/EIR process.

The Contract resulting from this RFP, if awarded, will be a cost plus fixed fee contract with a not-to-exceed amount for any single stage. Other direct costs will be itemized separately on the Consultant's invoices. Assuming a fair and reasonable price can be negotiated with the highest ranked Proposer, DMJM Harris, the Authority will issue the initial Notice-to-Proceed for the formal scoping process for the EIS/EIR, including all related work needed to complete the scoping process. Assuming a fair and reasonable price is established for all of the Stage 1 work, the CEO will bring the proposed contract amount back to the Board for review and approval. Should the negotiations with the highest ranked Proposer not result in a fair and reasonable price, the CEO will recommend that the Authority enter into negotiations with the second ranked Proposer.

Within the overall price for Stage 1, the Authority will negotiate a fair and reasonable price for EIS/EIR scoping and related early project activities, which will be verified through price analysis and an independent cost estimate.

The prime consulting firm for the highest ranked Proposer, DMJM Harris, is a well-qualified transportation and infrastructure firm specializing in transit/rail, planning, program management, construction management, and design-build projects. The firm has extensive experience in providing environmental and preliminary engineering services for various government entities, including its work on Phase I of the Exposition LRT Project. The firm is based in Los Angeles, California.

On advice from counsel, and due to the limitations resulting from recent Federal court decisions, the Authority could not assign a Disadvantaged Business Enterprise (DBE) participation goal for this competitive procurement. However, all three Proposers demonstrated a strong commitment to diversity through the meaningful participation of qualified woman and minority-owned businesses. Furthermore, the selected Consultant will be required to utilize race neutral means to encourage DBE participation on the project.

FINANCIAL IMPACT

The Los Angeles County Metropolitan Transportation Authority (Metro) Board has programmed \$15 Million over the next three fiscal years, beginning July 1, 2006, to perform the environmental studies and preliminary engineering required to advance Phase II of the project.

Metro budgeted \$1.5 million for Phase II work in the FY07 budget assuming the consultant would not be selected until much later in the fiscal year. Because the Authority expedited the procurement of this contract, the \$1.5 million budgeted by Metro will be insufficient to cover Authority, consultant and other costs for this fiscal year. As a result, the CEO will request the Metro Board to amend the FY07 budget and add additional funding from the \$15 million that has been programmed for this project.

NEXT STEPS

Future action by both the Expo and Metro Boards, increasing the amount of budget for FY07 will be required prior to the issuance of a Notice-to-Proceed for the remaining portions of the Stage 1 work (primarily Alternatives Analysis and preparation of the Draft EIS/EIR), as well as prior to the issuance of a Notice-to-Proceed for Stage 2 and the Stage 3 option.

ATTACHMENT(S)

None

