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**REVISED
AD HOC CONGESTION PRICING COMMITTEE
FEBRUARY 18, 2009**

**SUBJECT: CONGESTION REDUCTION DEMONSTRATION PROJECT (LA CRD):
CONGESTION PRICING OPERATING PLAN FOR LOS ANGELES COUNTY**

**ACTION: AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND
EXECUTE CONTRACT MODIFICATIONS FOR PROFESSIONAL SERVICES
AND AMEND THE FY09 BUDGET**

RECOMMENDATION

Authorize the Chief Executive Officer to:

- A. Negotiate and execute Contract Modification #2 to Contract PS-0844402110 with PB Americas to provide additional detailed analysis to support the project development requirements of the LA CRD Project. In addition, to provide technical oversight services for the implementation phase, which are not included in the original scope of services and are required to support delivery of the Congestion Reduction Demonstration Project, in an amount not-to-exceed ~~\$2,500,000~~ **\$7,083,212**, increasing the ~~Total Contract Value from \$4,250,000 to \$6,750,000~~; total Board authorized amount from \$4,675,851 to \$11,759,063.

The current authorized amount is inclusive of a contract value of \$4,250,851 and contract modification authority (CMA) amount of \$425,000.

- B. Amend the FY09 budget to add in \$2,500,000 of revenues and expenses.

RATIONALE

At its April 2008 meeting, the Board awarded PB Americas the professional services contract for the Congestion Pricing Operating Plan for Los Angeles County for a Total Contract Value of ~~\$4,250,000~~ **\$4,675,851**. The purpose of the Plan is to identify three alternatives for congestion pricing. Contract Modification #1 occurred in August 2008 as an administrative revision that included a change of the Metro Project Manager and PB Americas contracting authority designate. At the September 2008 Board meeting, the Board of Directors approved the programming of \$290.6 million to implement projects under the ~~CRDP~~ **LA CRD**. The projects include transit improvements and the conversion of high occupancy vehicle (HOV) lanes on Interstate 10 and Interstate 110 to high occupancy toll (HOT) lanes. Funding for the September 2008 ~~CRDP~~ **LA CRD** programming action was obtained from a \$210.6 million grant from the USDOT, plus \$80 million in State of California Proposition 1B

Transit Modernization funding. On January 14, 2009, the Federal Transit Administration (FTA) and Federal Highway Administration (FHWA) approved SCAG's Amendment #1 to the 2008 RTP and Amendment #08-01 to the 2008 RTIP which includes the ~~CRDP~~ LA CRD.

Now that the USDOT grant funding is in an approved Federal Transportation Improvement Program, additional professional services must commence to refine the analysis of the Congestion Pricing Plan with a focus on the I-10 and I-110 corridors as well as feasibility screening of a third HOT lane alternative in Los Angeles County. With the concurrence of SCAG staff, the revision of the Operating Plan focuses on HOT lanes. Other forms of congestion pricing, i.e. cordon pricing, parking pricing, and goods movement pricing, will be incorporated in the SCAG regional congestion pricing study. In addition, technical oversight of the implementation phase of the LA CRD must commence. These activities include development of the RFP and oversight of the Toll System Integrator.

The contract modification also anticipates Options in the amount of \$3,215,003 for the completion of 30% design work for the Project. This is critical since the impact of the State budget crisis and the anticipated demands for projects funded by Economic Stimulus federal funds will impact Caltrans staffing availability in the near term.

FINANCIAL IMPACT

Subject to Caltrans approval, funding of \$2,500,000 required for FY09 activities will be added to the FY09 budget in Cost Center #2220, project #210120. The source of funds for the FY09 budget amendment and for future fiscal years is Congestion Mitigation/Air Quality Funds. Since this is a multi-year project, the Project Manager will be responsible for budgeting the costs in future years.

ALTERNATIVES CONSIDERED

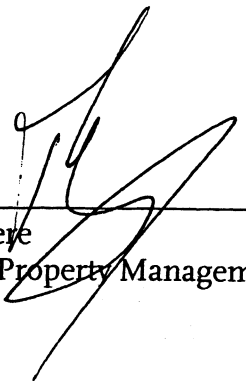
The Board of Directors may choose not to authorize contract modification at this time. This alternative is not recommended; since staff would not be able to access or draw down the LA CRD Federal funds and we would risk meeting the USDOT toll revenue operation deadline of December 31, 2010.

Attachments

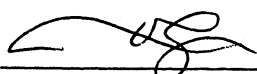
- Attachment A: Procurement Summary
- Attachment A-1: Procurement History
- Attachment A-2: List of Subcontractors

Prepared by: Stephanie Wiggins
Executive Officer, Congestion Reduction Initiative

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Contracts Administration Manager



Roger Moliere
Chief, Real Property Management and Development



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

**CONGESTION REDUCTION DEMONSTRATION PROJECT (LACRD)
CONGESTION PRICING OPERATING PLAN FOR LOS ANGELES COUNTY**

1.	Contract Number: PS0844402110, Modification No. 2		
2.	Recommended Vendor: PB Americas, Inc.		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$ 7,583,769	Recommended Price: NTE \$ 7,083,212	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Price		
5.	Procurement Dates:		
	A. Issued: November 17, 2008		
	B. Advertised: N/A		
	C. Pre-proposal Conference: N/A		
	D. Proposals Due: January 23, 2009		
	E. Pre-Qualification Completed: January 14, 2008		
	F. Conflict of Interest Form Submitted to Ethics: N/A		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: DALP -20%	Date Small Business Evaluation Completed: April 8, 2008	
	B. Small Business Commitment: 21.8% Details are in Attachment A-2		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: N/A	Bids/Proposals Picked up: N/A	Bids/Proposals Received: N/A
8.	Evaluation Information:		
	A. Bidders/Proposers Names:	<u>Bid/Proposal Amount:</u>	<u>Best and Final Offer Amount:</u>
	- Phase I & II Recovery Plan	\$1,968,209	NTE \$ 1,668,209
	- Phase III & IV Solicitation & Demo Implementation Technical Support	\$2,400,557	NTE \$ 2,200,000
	-Option 1, Conceptual Design & Specs	\$3,020,128	NTE \$ 3,020,128
	-Option 2, Preliminary Engineering	\$194,875	NTE \$ 194,875
	B. Evaluation Methodology: Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: N/A		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: Phyllis L. Walker	Telephone Number: 922-1084	
11.	Project Manager: Stephanie Wiggins	Telephone Number: 922-1023	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY**

**CONGESTION REDUCTION DEMONSTRATION PROJECT (LACRD)
CONGESTION PRICING OPERATING PLAN FOR LOS ANGELES COUNTY**

A. Background on Contractor

PB Americas, Inc. is headquartered in New York and was founded over 100 years ago. They have offices in most major U. S. cities. Services for this procurement will be conducted from their Los Angeles Office located at 444 South Flower Street. They have international and national congestion pricing expertise. Their team will bring local public outreach experts and managed lane pricing experience. PB has worked on Los Angeles' transit system since its inception. They are familiar with Metro's travel demand model, SCAG's truck model, and have familiarity with models developed for surrounding counties. This enables them to assess the impact to adjoining counties. In addition to this contract, PB Americas, Inc. has contracts with Los Angeles County Metropolitan Transportation Authority for a Modeling Advisory Panel and Corridors Base Model Refinement/Revalidation. Other transit agency contracts include the Gold Line Foothill Extension with the Metro Gold Line Foothill Extension Construction Authority in Monrovia, CA; Regional HOV/HOT Lanes Managed Lane Analysis with City of Charlotte in North Carolina; and San Francisco Bay Area Regional HOT Lane Network Feasibility Study with the Metropolitan Transportation Commission in Oakland, CA.

Continued past performance of PB Americas, Inc. is overall satisfactory as demonstrated by their extensive working relationship with Metro.

B. Procurement Background

Contract No. PS0844402110 was competitively procured and awarded to PB Americas, Inc. on May 15, 2008 for a firm fixed amount of \$4,250,851 to prepare the Congestion Pricing Operating Plan for Los Angeles County and to facilitate public outreach and community participation.

Modification No.2 has been issued as a result of the legislative tolling authorized in SB1422 for the I-10 and I-110 corridors on September 29, 2008 and award of the USDOT Grant in April 2008 (which shifted priority from the 210 corridor to the 110 corridor). Additional effort and tasks are required in Phases I and II to support the added implementation technical assistance for the toll lanes in Phases III and IV for a revenue operating date of December 31, 2010.

Phases I and II period of performance will be extended through September 30, 2009 and Phases III and IV will extend through December 31, 2011 for technical assistance during the solicitation process, implementation and USDOT Grant performance evaluations.

C. Evaluation of Proposals

The evaluation team reviewed the price proposals submitted for a) the Recovery Plan delta for Phases I and II, and b) Technical assistance for Phases III during the solicitation process and Phase IV, technical assistance during the implementation phase and USDOT Grant required performance evaluation reporting. An optional proposed price was provided for preliminary engineering services.

D. Cost/Price Analysis Explanation of Variances

The price will be negotiated based upon a Management Audit Services (MAS) pre-award audit, independent cost estimate, technical review, fact-find, and negotiations.

: BOARD REPORT ATTACHMENT A-2
LIST OF SUBCONTRACTORS

**CONGESTION REDUCTION DEMONSTRATION PROJECT (LACRD)
CONGESTION PRICING OPERATING PLAN FOR LOS ANGELES COUNTY**

PRIME CONTRACTOR – PB AMERICAS, INC.

Small Business Commitment

Corey, Canapary & Galanis Research	2.39%
Intueor Consulting Inc.	3.37%
Lee Andrews Group, Inc.	8.48 %
Pulsar Advertising	4.28%
Sharon Green and Associates	<u>3.29%</u>
Total DBE Commitment	21.81%

Other Subcontractors

Cambridge Systematics, Inc.
ECO Northwest
IBI Group
~~PB Consult~~ merged with PB (12/08)
Red Hill Group
Nossaman Guthner Knox & Elliott LLP
Texas Transportation Institute
Mark Bradley
HS Public Affairs
ABL
~~Eric Schreffler~~
CHS
Don Shoup
Mike Meyer

SMALL BUSINESS PARTICIPATION (Contract #PS-08444-02110)

This Contract has a Disadvantaged Business Enterprise (DBE) Anticipated Level of Participation (DALP) of 21.81%. The contract was awarded to PB Americas, Inc. on April 24, 2008 and is approximately 30% complete. Current DBE attainment¹ based on the current contract amount² is 10.38%. Current DBE participation³ based on total actual amount paid-to-date to Contractor and total actual amount paid-to-date to DBE firms is 34.61%. The five (5) original subcontractors/suppliers have performed or will perform as listed below. In addition, the Prime has demonstrated Good Faith Efforts by adding another DBE subcontractor to perform on this project.

Original Award Amount	\$4,250,851
Current Contract Amount²	\$4,250,851
Total Actual Amount Paid to Date to Prime	\$1,274,662

Subcontractor's Name	Commitment	Current Attainment¹	Current Participation³	Current Status
Corey, Canapary & Galanis	2.39%	0.00%	0.00%	Performing
Intueor	3.37%	0.00%	0.00%	Performing
Lee Andrews Group, Inc.	8.48%	4.65%	15.50%	Performing
Pulsar Adverting	4.28%	4.28%	14.27%	Complete
Sharon Greene & Associates	3.29%	0.00%	0.00%	Performing
Heidi Stamm Public Affairs	Added	1.45%	4.84%	Performing
TOTAL	21.81%	10.38%	34.61%	Performing

¹Current Attainment = Total Actual Amount Paid-to-Date to DBE Subs ÷ Total Current Contract Amount

²Current Contract Amount = Original Contract Amount + Contract Cost Modifications

³Current Participation = Total Actual Amount Paid-to-Date to DBE Subs ÷ Total Actual Amount Paid-to-Date to Prime

For March 2009 Board Report, based on the January 2009's Form 103. E-mailed to Phyllis Walker February 13, 2009.