

**Board Report**

File #: 2015-0224, **File Type:** Contract**Agenda Number:** 41.

**CONSTRUCTION COMMITTEE
JULY 16, 2015****SUBJECT: SUSTAINABILITY PROGRAM ASSISTANT SERVICES****ACTION: AWARD AND EXECUTE PROFESSIONAL SERVICES CONTRACT FOR
SUSTAINABILITY PROGRAM ASSISTANT SERVICES****RECOMMENDATION**

CONSTRUCTION COMMITTEE FORWARDED WITHOUT RECOMMENDATION authorizing the Chief Executive Officer to award and execute a five year contract, Contract No. PS84203243, with Cumming Construction Management, Inc. for **Sustainability Program Assistance Services on Task Orders** for a total amount not-to-exceed \$12,481,230 inclusive of three base years (not to exceed \$7,339,981) with two one-year options (year one = \$2,545,173 and year two = \$2,596,076.)

ISSUE

The Los Angeles County Metropolitan Transportation Authority (Metro) has incorporated sustainable principles, specifically climate, energy, water and resource conservation and management, into its organizational values and core business goals. These principles express the agency's commitment to "reduce, re-use, and recycle all internal resources and reduce greenhouse gas emissions." Operational and construction-related sustainability principles have been formally implemented throughout our agency since 2007. Over the past few years, the number of initiatives and projects related to these themes has evolved resulting in significant cost savings and operational efficiencies, while simultaneously increasing the health and welfare of our employees and the people we serve through a safe working and customer focused environment.

As we increase our transit and transportation infrastructure, staff's internal ability to oversee these sustainability-related operational and capital projects become more challenging on two fronts: our ability to properly manage the implementation of the cost-saving and environmentally protective projects as well as our ability to ensure that we develop and implement new ideas to ensure continual improvement. To this end, staff has solicited and recommends the execution of a professional services contract for sustainability program assistance services to provide as-needed analysis, studies, surveys, investigations, modeling, predictions, and/or reports related to the operation and

maintenance of Metro's transportation system, facilities, and support activities.

Metro's existing Environmental Engineering Consultant Services contract includes sustainability project implementation. This recommended contract award was solicited to increase participation of firms that work in the sustainability industry in Metro's programs, especially those which can provide programmatic sustainability oversight for a large transit agency, such as Metro.

The Environmental Compliance and Sustainability (ECSD) group is in the midst of an unprecedented time to consider new responsibilities and revenue generating opportunities as a result of evolving environmental and climatic statutory and regulatory needs to ensure the protection of human health and environment; as well as to constantly address the challenge of operational sustainability while ensuring resiliency and maintaining a state of good repair. As technology in the energy, water, resource management conservation and environmental space also continues to evolve at a very fast pace, ECSD has a need for several specialty contracts to respond to these continuously challenging agency-wide and project needs while continually balancing our short- and long-term goals of succession planning, cost-savings, employee development, economic growth, and project success. The process to procure for such specialty contracts is consistent with ECSD's Business Plan submitted and presented to our Board in January 2015 and as reviewed with OMB through the FY16 budget process.

DISCUSSION

Metro's existing Environmental Engineering Consultant Services contract supports numerous sustainability projects, such as planning for recycled water irrigation lines, deployment of a water recycling system, design of lighting retrofits and energy efficiency measures, engineering of renewable energy systems, other resource reduction initiatives at Metro facilities and alignments, and the implementation of Metro's Environmental Management System (EMS).

Staff divided the current scope of sustainability-related work into four new individual scopes of work to increase participation of firms that work in the sustainability industry, specifically in the field of programmatic sustainability assistance and EMS implementation. This Contract No. PS84203243 is the third contract award being presented to the Board for approval. Earlier contract award include Contract No. PS84203244, Energy and Renewable Energy Consultant Services and Contract No. PS84203245, Solid Waste and Natural Resource Management Consultant Services. A fourth consultant contract for climate change mitigation/adaptation implementation will be released in the summer of 2015.

Contract No. PS84203243 will be an indefinite delivery/indefinite quantity contract. The consultant is not guaranteed any work. The services are only required on an as needed basis for specific program assistance. When consulting service requirements arise staff will issue Contract Work Orders and Task Orders.. These Task Orders will be funded from an existing project's budget with consideration of any information available at the time of planning and applicable time constraints on performance of the work.

All Task Orders will be fully negotiated based on agreed upon rates established in the Contract. .

Staff applies strict project controls in the execution of each of these Task Orders to closely monitor the Consultant's budget and Task Order schedules. No funds are obligated until a Contract Work Order/Task Order is awarded against a valid project.

The Contract No. PS84203243 includes a 25% Disadvantaged Business Enterprise (DBE)/Small Business Enterprise (SBE) goal. DBE attainment is based on the aggregate value of all task orders issued.

The success of Metro's sustainability program has resulted in a significant expansion of the program over the last few years, prompting the diversification and focus of Metro's sustainability consultant support into several disciplines. The services that this contract provides include the oversight of all sustainability-related efforts including those for our major capital projects, energy and resource management, implementation of sustainability related infrastructure, Environmental Management System implementation, and carbon emissions reduction projects oversight. This consultant will provide expert assistance to Metro staff on all matters that relate to the sustainability programmatic implementation.

To accomplish the assigned tasks, the consultant will provide necessary staff, sub-consultants, equipment, software, supplies, and services. Consultant shall employ or subcontract as necessary with such diverse professionals as Environmental Management System Specialists; Geographic Information Services (GIS) Specialist; Air Quality Engineers; Sustainability Engineers; Climate Engineer/Scientist; and such other professional practitioners as may be needed to support the required EMS, training and program guidance activities.

DETERMINATION OF SAFETY IMPACT

This Board action will not have an adverse impact on safety standards for Metro. It will however increase safety as sustainability related projects and programs are implemented to increase the health and safety of our staff and enhance customer experience of our system.

FINANCIAL IMPACT

Contract No. PS84203243 will be an Indefinite Delivery/Indefinite Quantity (IDIQ) contract. No MTA funds are obligated until a Contract Work Order (CWO) is issued by an MTA authorized Contracting Officer against a valid project budget. No expenditures are authorized until a Task Order is awarded by an MTA authorized Contracting Officer for a specific package of work within the CWO. All task orders are to be individually negotiated and level of effort fully defined prior to the authorization of any project specific funds. Execution of work under those Task Orders within those CWO awards can continue beyond the contract end date.

Obligations and authorizations made within the total Contract Amount will be against specific project or operations budgets which make up the Board-approved MTA budget for this particular fiscal year. Specific funding for this contract will parallel the project approved by Board under separate actions. The Executive Directors and Project Managers of each of the business units and projects overseeing

these projects will be responsible for providing appropriate budgets.

Impact to Budget

There will be no net impact to Bus and Rail Operating Budgets. The initial source of funds for this contract is included in the FY15 budget under Project Number 450003 - Sustainability Environment, Cost Center 8420 Environmental Compliance and Services, Account 50316 Professional and Technical Services.

ALTERNATIVES CONSIDERED

The Metro Board has provided significant guidance in Metro's vision of sustainability. Many projects have been implemented, constructed, and currently being maintained to fulfill this vision. These programs have provided significant financial, employee welfare, and enhanced customer experience for our agency. The benefits from these initial efforts are constrained by the number of staff currently able to provide implementation oversight. Contract PS84203243 is designed to accelerate many of these efforts specifically the cost-saving measures that have been programmed for the next few years. Having no support will result in missed opportunities for achieving operational and construction cost benefits.

During the last five years, the Metro Board has also approved various plans to achieve reductions in operational greenhouse gas emissions; implement innovative approaches and strategies to enhance customer experience, reduce limited natural and energy resource use; investigate public-private partnerships to supplement limited funds to design, build, operate, and maintain sustainability related infrastructure; and increase operational efficiency. Metro's operational sustainability program administered through the Environmental Compliance and Services Department has executed significant portions of that mandate; and will continue to do so using all of the sustainability-related consulting contracts (including Contract No. PS84203243) as an expert supplement for current staff's expertise.

The Metro Board has already desired staff to do programmatic implementation activities in house. However, there is an inherent risk in hiring for too many credentialed and highly skilled staff members full-time. While there are cost efficiencies that may be achieved by having some of these types of staff, current Metro staff determined that there is an optimum number of staff that we should internally hire to oversee these projects, then seek supplementary consultant Sustainability Project Assistance subject matter experts to complement staff skillsets only as-needed. We have seen the effectiveness of this management style (i.e., as-needed combination of internal staff and expert consultants), especially in large programs such as the energy and EMS. Unlike the other three contracts mentioned previously (i.e., Energy, Waster and Resource Management, and Climate Change) this contract being approved does not provide design services, but instead provides the programmatic expertise to make sure that design and construction of sustainability-related infrastructure and related projects and programs are appropriately implemented.

Staff can solicit and award individual contracts every time additional staff is needed for oversight in any of the programmed sustainability-related efforts. Individually procuring these micro-contracts have associated inconsistent and most likely cumulative higher administrative and execution costs, especially in a sustainability program as large as Metro's. As many of our projects overlap with one another in a single major capital project or facility, having multiple consultants with overlapping skills will cause delays and result in administrative inefficiencies. ECSD currently oversees or supports over 100 task orders in any single fiscal year.

NEXT STEPS

After the recommended Board Action is approved, staff will execute the conformed contract and proceed with issuing Task Orders and Contract Work Orders.

ATTACHMENTS

- A. Procurement Summary
- B. Types and Total Value Estimates of Projects - FY15 to FY 19

Prepared By:

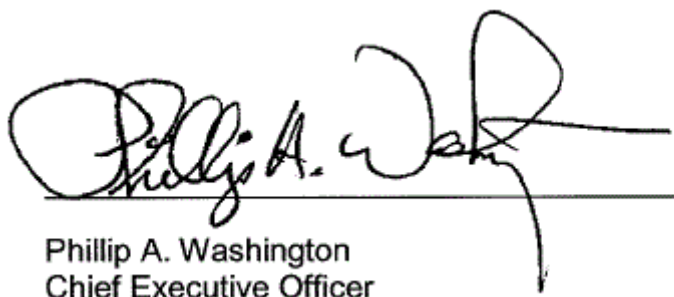
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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

SUSTAINABILITY PROGRAM ASSISTANCE SERVICES/PS84203243

1.	Contract Number: PS84203243	
2.	Recommended Vendor: Cumming Construction Management, Inc.	
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: 09/09/2014	
	B. Advertised/Publicized: 09/20/14	
	C. Pre-proposal/Pre-Bid Conference: 10/01/2014	
	D. Proposals/Bids Due: 11/21/2014	
	E. Pre-Qualification Completed: Pending	
	F. Conflict of Interest Form Submitted to Ethics: 01/29/2015	
	G. Protest Period End Date: (15 Calendar Days after Notification of Intent to Award)	
5.	Solicitations Picked up/Downloaded: 143	Bids/Proposals Received: 3
6.	Contract Administrator: Alan Leung	Telephone Number: (213) 922-7574
7.	Project Manager: Emmanuel Liban	Telephone Number: (213) 922-2471

A. Procurement Background

This Board Action is to approve the execution of Contract No. PS84203243 issued in support of Sustainability Program Assistance Services.

The RFP was issued in accordance with Metro's Acquisition Policy and the contract will issue contract work orders on a Cost-Plus-Fixed Fee basis based on the Scope of Work and level of effort for each project participating in the services of this contract.

One (1) amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on October 21, 2014 revised the Due Date, the Submittal Requirements, and Form V1.0.

Metro held a pre-proposal conference on October 1, 2014, in the Gateway Conference Room on the 3rd floor of the Gateway Building. There were thirty-five (35) representatives from twenty-seven (27) firms that signed in at the pre-proposal conference. One-hundred forty three (143) individuals from various firms picked up the RFP Package. There one (1) amendment issued during the solicitation phase of this RFP. The firms that picked up or downloaded the RFP asked a total of forty-seven (47) Questions.

Metro received three (3) proposals on the due date November 21, 2014.

B. Evaluation of Proposals/Bids

The Proposal Evaluation Team (PET) consisted of two (2) members from Metro’s Environmental Department and one (1) member from Metro’s Planning Department, with good working knowledge of the contract requirements and technical capabilities to evaluate the proposals fairly without prejudice. The PET evaluated each firm and its proposed team of subcontractors, in accordance with the following Evaluation Criteria set forth in the RFP documents, and performance requirements included in the scope of services, utilizing the scoring guidelines shown in the table below.

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

- Price 30 percent
- Degree of Skills and Experience of Personnel on Team 25 percent
- Experience of Firms on Team 20 percent
- Project management approach 15 percent
- Effectiveness of Management Plan and Quality 10 Percent

The evaluation criteria are appropriate and consistent with criteria developed for other, similar types of procurements. Several factors were considered when developing these weights, giving the greatest importance to the Proposer team’s capabilities and experience.

The solicitation was a competitively negotiated (non-A&E) procurement with price as a factor, as governed by the Metro ACQ-2 and FTA Circular 4220.1f. Price and technical factors were considered in the overall scoring of the proposals and award is based on the Proposal deemed in Metro’s best interests, followed by negotiations with the selected firm.

Metro received three (3) proposals on the due date of November 21, 2014, from the following firms:

1. CDM Smith, Inc. (CDM Smith)
2. Cumming Construction Management, Inc. (Cumming)
3. Urban Collaborative Studios, LLC. (UCS)

During the week of December 15, 2014, the evaluation committee met and interviewed the firms. The firms’ project managers and key team members had an opportunity to present each team’s qualifications and respond to the evaluation committee’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. Also highlighted

were staffing plans, work plans, and perceived project issues. Each team was asked questions relative to each firm's proposed alternatives and previous experience.

Qualifications Summary of Recommended Firm:

The Cumming team exhibited a clear and thorough understanding of the project and approach, as evidenced by their proposal and oral interview. Both their written proposal and oral answers described a programmatic approach to the Scope of Services that seemed to align well with Metro's sustainability goals, policies, and practices. The approach demonstrated deep understanding of each section of the scope and addressed each item individually, along with best practices on how to execute each item. Additionally, Cumming's presentation also addressed both near and long term issues they expect to encounter.

1	FIRM	Average Score	Factor Weight	Weighted Average Score	Rank
2	Cumming				
3	Price		30.00%	28	
4	Degree of Skills and Experience of Personnel on Team		25.00%	23	
5	Experience of Firms on Team		20.00%	18	
6	Project Understanding and Approach		15.00%	14	
7	Effectiveness of Management Plan and Quality		10.00%	9	
8	Total		100.00%	92	1

9	FIRM	Average Score	Factor Weight	Weighted Average Score	Rank
10	CDM Smith				
11	Price		30.00%	19	
12	Degree of Skills and Experience of Personnel on Team		25.00%	18	
13	Experience of Firms on Team		20.00%	15	
14	Project Understanding and Approach		15.00%	12	

15	Effectiveness of Management Plan and Quality		10.00%	9	
16	Total		100.00%	73	2

17	FIRM	Average Score	Factor Weight	Weighted Average Score	Rank
18	UCS				
19	Price		30.00%	30	
20	Degree of Skills and Experience of Personnel on Team		25.00%	10	
21	Experience of Firms on Team		20.00%	9	
22	Project Understanding and Approach		15.00%	5	
23	Effectiveness of Management Plan and Quality		10.00%	5	
24	Total		100.00%	59	3

C. Cost/Price Analysis

The cost analysis included (1) a comparison with historical data of other firms offering similar services; (2) an analysis of audited rates and factors for labor, equipment and other direct costs, and (3) compliance with both the Federal Acquisition Regulation (FAR) Part 31 guidelines and Generally Accepted Accounting Principles (GAAP). Metro has negotiated fixed billing rates for direct labor and equipment, terms and conditions, level of effort, a provisional overhead rate, and a factor to establish a fixed fee for each task order. The pricing for each task order will use the negotiated labor rates plus the provisional overhead rate and negotiated fee factor to establish a not-to-exceed amount on a cost-plus-fixed fee basis.

An audit request has been submitted to the Metro Management Audit Services Department (MASD). In order to prevent any unnecessary delay in contract award, provisional rates have been established subject to retroactive adjustments upon completion of any necessary audits. In accordance with FTA Circular 4220.1.F, if an audit has been performed by any other cognizant agency within the last twelve month period, Metro will receive and accept that audit report for the above purposes rather than perform another audit.

A fair and reasonable price for all future Contract Work Orders will be determined based upon a cost analysis, technical evaluation, fact finding, and negotiations, before issuing work to the Consultant.

The total evaluated contract prices are listed below.

	Bidder/Proposer Name	Proposal Amount for Evaluation	Negotiated
1	Cumming	\$12,823,943	\$12,481,230

	Bidder/Proposer Name	Proposal Amount for Evaluation	Negotiated
2.	CDM Smith	\$19,007,825	\$19,007,825

	Bidder/Proposer Name	Proposal Amount for Evaluation	Negotiated
3.	UCS	\$5,096,122	\$11,830,629

UCS submitted an updated cost proposal that increased their proposal amount from \$5,096,122 to \$11,830,629 as part of their Best and Final Offer because the proposer chose to address clarifications in the scope of services and anticipated level of effort.

The evaluated prices were scored based on the following formula:

Proposer Cost Score = Lowest Cost Proposal / Proposer's Cost * 30 (maximum score)

D. Background on Recommended Contractor

Cumming is an international company that provides consultancy services in a wide variety of fields, including environmental, sustainability, and support services. Since opening for business nearly two decades ago, Cumming has grown consistently and substantially. Today, they have nearly 350 team members and have completed projects in more than 25 countries around the world.

The recommended contractor also has experience working in the Los Angeles area with public agencies to provide environmental project management services similar to the scope of services required under this contract. Cumming offers support and management services necessary to address Metro's expanding sustainable capital building programs, including construction support, environmental and sustainability policy development and implementation, energy conservation and renewable energy management, environmental management systems, and climate change and greenhouse gas emissions management.

E. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 25% Disadvantaged Business Enterprise (DBE) goal for this solicitation. Cumming Construction Management, Inc. exceeded the goal by making a 43.83% RC DBE and 6.19% RN DBE commitments.

Disadvantaged Business Enterprise Goal	25% DBE	Disadvantaged Business Enterprise Commitment	43.83% RC DBE 6.19% RN DBE
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	DBE Subcontractors	Ethnicity	% Commitment
1.	ICI Engineers	Asian Pacific American	2.92%
2.	C2PM	Asian Pacific American	4.87%
3.	Paragon	Asian Pacific American	9.90%
4.	GC Green	Hispanic American	4.99%
5.	Century Diversified, Inc.	Hispanic American	1.64%
6.	W2Design	Asian Pacific American	5.95%
7.	The Solis Group	Hispanic American	3.04%
8.	Power-Tech Engineers	Hispanic American	10.51%
	Total RC DBE Commitment		43.83%
9.	Coto Consulting, Inc.	Non-Minority Women	4.24%
10.	Integrated Engineering Mgmt.	Non-Minority Women	1.95%
	Total RN DBE Commitment		6.19%

F. Living Wage and Service Contract Worker Retention Policy

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

G. All Subcontractors Included with Recommended Contractor’s Proposal

	Subcontractor	Services Provided
1.	Century Diversified	Engineering and CADD services
2.	W2Design	Engineering and GIS expertise
3.	Coto Consulting	Certified ISO14001 and EMS consulting
4.	ICI Engineers	Energy engineering
5.	C2PM	EMS and Project Management
6.	Paragon	EMS and Project Management
7.	GC Green	Energy engineering
8.	Okapi Architecture	Energy & Sustainability planning
9.	The Solis Group	Project management

10.	Integrated Engineering Management	Engineering
11.	Empowered Solutions	Energy engineering and renewable energy
12.	Power-Tech Engineers	Energy engineering
13.	Eckersall	GIS Services
14.	Evans Brooks Associates	Sustainability policy and planning
15.	Lentini Design	Graphic design and marketing

Types and Total Value Estimates of Projects – FY15 to FY19

EMS, Training, and Sustainability Program Guidance	No. of Units (yrs., projs.,etc.)	Estimated Cost of Consultant Services per Unit	Total Estimated Cost for Consultant Services
a. EMS Program Maintenance Support	5 years	\$1,500,000	\$7,500,000
b. Environmental Training Institute	5 years	\$500,000	\$2,500,000
c. Sustainability Policies, Programs, and Guidance	5 years	\$450,000	\$2,250,000
1. Sustainability Policy Development	5 years	\$75,000	\$375,000
2. Coordinate Sustainability Projects and Initiatives	5 years	\$75,000	\$375,000
3. Sustainability Program Guidance and Oversight	5 years	\$75,000	\$375,000
4. Develop and Maintain the Sustainability Dashboard & GIS	5 years	\$75,000	\$375,000
5. Prepare Annual Energy and Resource Report	5 years	\$150,000	\$750,000
d. EMS & Training Plans, Studies, Reports	5 reports	\$100,000	\$500,000
e. Innovative Sustainability Initiatives/ Solutions	5 years	\$50,000	\$250,000

LOP Amount

ROM/Recommended
\$13,000,000