

**Board Report**

File #: 2017-0188, **File Type:** Contract**Agenda Number:** 14

**CONSTRUCTION COMMITTEE
MAY 18, 2017****SUBJECT: PROGRAM MANAGEMENT SUPPORT SERVICES****ACTION: AWARD PROFESSIONAL SERVICES CONTRACT****RECOMMENDATION**

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to award a cost reimbursable fixed fee contract, Contract No. AE35279, to **Kal Krishnan Consulting Services/Triunity Engineering & Management Joint Venture (KKCS/Triunity JV), the most qualified proposer, for Program Management Support Services (PMSS)** for a not-to-exceed amount of \$76,745,629.86 for the base five-years, plus \$32,436,264.59 for a two-year option, for a combined total amount not to exceed \$109,181,894.45, subject to resolution of protest(s), if any;
- B. AUTHORIZING the Chief Executive Officer to execute individual Contract Work Orders and Contract Modifications within the Board approved contract funding amount;
- C. APPROVING Contract Modification Authority specific to Contract No. AE35279 for 10% of the not-to-exceed award value.

ISSUE

Program Management Support Services (PMSS) are needed to assist the Program Management Department in managing and supporting delivery of Metro's Capital Program. These services will be required to supplement staffing and provide technical expertise to support project delivery of capital projects and strategic initiatives detailed in the Program Management Plan (PMP) and the Annual Program Evaluation (APE) presented to and approved by the Board. The PMSS Contract will provide Metro the flexibility to adjust the necessary resources to implement and deliver capital projects safely, on-time and within budget.

On November 21, 2016, request for proposals were issued for PMSS to assist Metro to manage and support Board-approved projects for a base term of five years with one two-year option. The recommended joint venture contractor is comprised of two Small/Disadvantaged Business Enterprise (SBE/DBE) firms - Kal Krishnan Consulting Services, Inc. and Triunity Engineering & Management, Inc.

DISCUSSION

The Program Management Department is responsible for the delivery of the large transportation capital program at Metro. With the recently approved Measure M program added to the Measure R program, Metro is currently undertaking the largest transportation construction program in the nation, which creates an unprecedented challenge to project delivery. Recognizing that staffing is a key factor in project delivery, Program Management is committed to developing strengths in its capacity and capability to ensure the multi-billion dollar capital program can be successfully managed.

The proposed PMSS contract is a new approach for Metro that would assist Program Management in securing sufficient qualified resources across a broad spectrum of disciplines in a timely manner needed to manage and support delivery of Board approved projects. The selected consultant would scale staff up or down depending on Metro's transit, highway, regional rail and other capital improvement program needs. The contract allows us to efficiently and effectively augment Metro Program Management staff as required to ensure proper resources needed to manage a project are available to us both in terms of staff availability and technical expertise.

With the significant increase in number and size of projects and the aggressive implementation schedule for delivering Metro's Capital Program, close coordination and expertise across multi-disciplines are required in the following eight key functions: project management, program management, project delivery development support, project control, estimating, configuration management, project management and other technical training, and Project Management Information System (PMIS) support services. The scope also allows for contract administration and small business contract compliance support assisting Vendor/Contract Management (V/CM), not requiring an agent agreement, to efficiently provide sufficient staffing needed to perform V/CM support activities. Combining all the above functions together into one contract allows for a better coordinated and more efficient allocation of resources for Metro than would be possible under a series of separate contracts.

Shortly after Measure M was approved, Program Management and Vendor/Contract Management jointly hosted Metro's first Pre-Solicitation Meet and Greet Session for the upcoming PMSS opportunities to business owners, which was also attended by the CEO. Prime contractors and other businesses were encouraged to network with each other for possible future joint ventures, partnerships or subcontracting opportunities. Establishing a competitive and qualified pool of consultants, contractors, and small businesses on Metro's projects is integral to successful project delivery.

DETERMINATION OF SAFETY IMPACT

This Board action will not have an impact on established safety standards for Metro's construction projects.

FINANCIAL IMPACT

The not-to-exceed award value is based on the planned level of services. The Contract Work Orders (CWO) issued will reflect the actual level of services required to support individual Board-approved projects. The Contract funds are authorized by issuing separate CWOs for various projects using labor classifications and rates set forth in the Contract. This method of contracting results in more efficient cost and schedule management, since CWOs and modifications to existing CWOs are negotiated and issued as additional work is identified.

Funding for these services are included in the approved FY18 Budget for the various Metro projects. The individual CWOs will be funded from the associated life-of-project (LOP) budgets that are approved by the Board. The project managers, cost managers and Chief Program Management Officer will be accountable for budgeting the cost in future years, including cost associated with exercising the option.

Impact to Budget

There is no impact to the FY18 Budget as funds for this action will be included in the approved budget for each project. Most of the projects are funded with multiple sources of funds: federal and state grants, federal loans, bonds and local sales taxes. Much of local sales taxes are eligible for bus and rail operations and capital improvements. These funds are programmed to state of good repair projects and to augment the costs of mega projects, where eligible and appropriate.

ALTERNATIVES CONSIDERED

The Board may choose to have existing or new Metro staff perform these services. This alternative is not practical or cost effective because Metro would have to hire a large workforce and attract high-paid expertise dependent on fluctuating projects' needs. While requests for additional Metro staff are being considered by the Board as part of the FY18 Budget process, consultant support is also recommended in order to meet peak, short-term needs, and provide technical assistance that is not available internally.

NEXT STEPS

After Board approval of this PMSS contract, the Contracting Officer will award the contract in accordance with Metro Procurement Policies and Procedures.


ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

PROGRAM MANAGEMENT SUPPORT SERVICES / AE35279

1.	Contract Number: AE35279	
2.	Recommended Vendor: Kal Krishnan Consulting Services/Triunity Engineering & Management Joint Venture	
3.	Type of Procurement (check one): <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.	Procurement Dates:	
	A. Issued: November 21, 2016	
	B. Advertised/Publicized: November 21-24, 2016	
	C. Pre-proposal/Pre-Bid Conference: December 6, 2016	
	D. Proposals/Bids Due: January 12, 2017	
	E. Pre-Qualification Completed: TBD	
	F. Conflict of Interest Form Submitted to Ethics: March 28, 2017	
	G. Protest Period End Date: May 22, 2017	
5.	Solicitations Picked up/Downloaded: 201	Bids/Proposals Received: 4
6.	Contract Administrator: Tamara Reid / Bruce Warrensford	Telephone Number: (213) 922-7215 / (213) 922-7338
7.	Project Manager: Amy Wang	Telephone Number: (213) 922-1024

A. Procurement Background

This Board Action is to approve the award of Contract No. AE35279, issued in support of Program Management Support Services (PMSS). The scope of the Contract is to support the Program Management Department in managing and supporting the delivery of Metro's Capital Program. Board approval of contract awards are subject to resolution of all properly submitted protests.

The Contract type is a Cost Plus Fixed Fee (CPFF). The Contract period of performance is five base years plus one two-year option.

The RFP was issued in accordance with Metro's Acquisition Policy and California Government Code §4525 - 4529. Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on December 6, 2016, extended the proposal due date; and
- Amendment No. 2, issued on January 5, 2017, modified the DBE Contract Outreach and Mentoring Plan.

On December 6, 2016, a pre-proposal conference was held with 36 firms in attendance. Four proposals were received on January 12, 2017.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of management staff from Program Management and Vendor/Contract Management was convened and conducted a comprehensive technical evaluation of the proposal received.

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

- Experience, Qualifications, and Capabilities of Firms on the Team 30%
- Experience, Qualifications, and Capabilities of Personnel 40%
- Understanding and Approach to Service Delivery 30%
- DBE Contracting Outreach and Mentor Protégé Approach (Bonus) 4%

The evaluation criteria are appropriate and consistent with criteria developed for other, similar Architect and Engineers (A&E) procurements. Several factors were considered when developing these weights, giving the greatest importance to the experience, qualification and capabilities of personnel.

This is an A&E, qualifications based procurement. Price cannot be and was not used as an evaluation factor as governed by California Government Code §4525 - 4529.

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

1. Kal Krishnan Consulting Services/ Triunity Engineering & Management Joint Venture (KKCS/Triunity JV);
2. LA Mobility Solutions;
3. PMA-Intueor JV; and
4. Anil Verma Associates, Inc./Simpson & Simpson Management Consulting JV

During the week of February 9, 2017, the PET conducted oral presentations with 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 qualifications and previous experience.

Qualification Summary of Recommended Firm:

The evaluation performed by the PET, in accordance with evaluation criteria set forth in the RFP, determined KKCS/Triunity JV as the most qualified firm to provide the required services.

KKCS has extensive experience with Metro contracts and similar projects for other transit agencies. Their firm showed a good understanding of Metro's processes and solutions to mitigate potential risks.

Triunity Engineering & Management (Triunity) specializes in program Management/Construction Management and System Engineering services specifically for highway and rail transportation.

KKCS/Triunity JV provided a detailed Project Management Plan that included extensive coordination with internal teams and Metro as well as staffing requirements demonstrated a clear understanding of the proposed scope of work.

KKCS/Triunity JV demonstrated they are well-skilled in providing the scope of services at the level required by this contract, and has the capabilities to provide staffing for task order assignments that may be issued under this contract.

The PET ranked the proposals and assessed strengths, weaknesses and associated risks of each of the Proposers to determine the most qualified firm.

1	FIRM	Avg Score	Factor Weight	Weighted Average Score	Rank
2	KKCS/Triunity JV				
3	Experience, Qualifications and Capabilities of Firms on the Team	90.67	30%	27.20	
4	Experience, Qualifications and Capabilities of Personnel	90.67	40%	36.27	
5	Understanding and Approach to Service Delivery	91.67	30%	27.50	
6	DBE Contracting Outreach & Mentor Protégé Approach	75.00	4%	3.00	
7	Total		104%	93.97	1
8	LA Mobility Solutions				
9	Experience, Qualifications and Capabilities of Firms on the Team	90.00	30%	27.00	
10	Experience, Qualifications and Capabilities of Personnel	88.33	40%	35.33	
11	Understanding and Approach to Service Delivery	89.33	30%	26.80	
12	DBE Contracting Outreach & Mentor Protégé Approach	75.00	4%	3.00	
13	Total		104%	92.13	2
14	PMA-Intueor JV				
15	Experience, Qualifications and Capabilities of Firms on the Team	83.00	30%	24.90	
16	Experience, Qualifications and Capabilities of Personnel	83.33	40%	33.33	

17	Understanding and Approach to Service Delivery	84.33	30%	25.30	
18	DBE Contracting Outreach & Mentor Protégé Approach	50.00	4%	2.00	
19	Total		104%	85.53	3
20	Anil Verma/Simpson & Simpson JV				
21	Experience, Qualifications and Capabilities of Firms on the Team	77.67	30%	23.30	
22	Experience, Qualifications and Capabilities of Personnel	53.33	40%	21.33	
23	Understanding and Approach to Service Delivery	81.67	30%	24.50	
24	DBE Contracting Outreach & Mentor Protégé Approach	75.00	4%	3.00	
25	Total		104%	72.13	4

C. Cost/Price Analysis

The cost analysis included (1) a comparison with historical cost data of other firms offering similar services; (2) an analysis of prior audited and overhead rates, and factors for labor, and other direct costs, and (3) compliance with Federal Acquisition Regulation (FAR) Part 31 guidelines. Metro has rates for direct labor and negotiated provisional overhead rates, and a negotiated fixed fee factor for the Contract. The negotiated amount has been determined to be fair and reasonable.

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 overhead rates have been established subject to retroactive Contract adjustments. 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.

Proposer Name	Contract Term	Proposal Amount	Metro Independent Cost Estimate	Recommended NTE Amount
KKCS/ Triunity JV	Base Contract for Years 1-5	\$76,745,629.86	\$73,901,212	\$76,745,629.86
	Option for Years 6-7	\$32,436,264.59	\$ 32,530,392	\$32,436,264.59
	Total Contract Value (Base + Option)	\$109,181,894.45	\$106,431,604	\$109,181,894.45

D. Background on Recommended Contractor

KKCS/Triunity JV is a multi-disciplined team that has extensive experience providing program management services for transportation agencies across the U.S. Founded in 1987, KKCS is a Metro-certified DBE firm with 87 employees in Los Angeles and regional offices in Oakland, San Diego, Seattle, New York, and Boston.

Since 2003, Triunity and its 50+ employees have provided full spectrum Project Management/Construction Management services including program management, project management, construction management, project controls, project management oversight, and estimating to transportation agencies, including Regional Transportation District-Denver (RTD) and FTA PMOC.

KKCS has a successful partnership with Metro and has had a role helping to deliver some of Metro's largest projects, including I-405 Sepulveda Pass Improvements; Alternatives Analysis for the Westside Subway Extension; Expo Light Rail Phase 2; Universal City Station Pedestrian Bridge; Assessment of Operations Capital Improvements and Supplementary Station Entrances for the Metro Blue, Green, and Gold Lines; Congestion Reduction Demonstration Program for Metro ExpressLanes; and Red Line Station Canopies.

In addition, KKCS and Triunity are currently providing program-level support to Metro's Program Management Department, assisting implementation of specific program and construction management best practices, including the Project Review Readiness Procedure, Project Delivery Selection Procedure, Lessons Learned Report and Program, and Risk Management Program.

DEOD SUMMARY

PROGRAM MANAGEMENT SUPPORT SERVICES AE35279

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 30% Disadvantaged Business Enterprise (DBE) goal for this solicitation. DBE firms Kal Krishnan Consulting Services and Triunity Engineering & Management formed Kal Krishnan Consulting Services/Triunity Engineering & Management Joint Venture (KKCS/Triunity JV), and exceeded the goal by making a 73.31% DBE commitment.

SMALL BUSINESS GOAL	30% DBE	SMALL BUSINESS COMMITMENT	73.31% DBE
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	DBE Contractors	Scope of Work	NAICS Codes	Ethnicity	% Committed
1.	KKCS (JV Partner)	Program Management, Project Control	541611 - Admin. Mgmt. and Gen. Mgmt. Consult.	Subcontinent Asian	19.89%
2.	Triunity (JV Partner)	Program Management	541611 - Admin. Mgmt. and Gen. Mgmt. 541690 – Other Scientific and Tech. Consulting Services 541618 – Other Mgmt. Consulting	African American	18.75%
3.	Armand Resource Group, Inc.	Contract Compliance	541611 - Admin. Mgmt. and Gen. Mgmt. 541618 - Other Mgmt. Consulting	African American	6.28%
4.	Lenax Construction Services, Inc.	Cost Estimating & Project Controls Support Services	541611 - Admin. Mgmt. and Gen. Mgmt. 541618 - Other Mgmt. Consulting; 561499 - All Other Business Support Services;	Caucasian Female	21.28%
5.	LKG-CMC, Inc.	Doc. Control, Configuration Mgmt. Admin.	541611 - Admin. Mgmt. and Gen. Mgmt. 541618 - Other Mgmt. Consulting	Caucasian Female	1.99%
6.	MBI Media	Public Outreach and Meeting Facilitation	541820 - Public Relations Agencies	Caucasian Female	1.23%
7.	Ogx Consulting	Project Program Management Support Services	541611 - Admin. Mgmt. and Gen. Mgmt. 541618 - Other Mgmt. Consulting; 541612 - Human Resources Consulting Services	African American	1.70%

8.	Ramos Consulting Services	Project Controls & Estimating	541330 - Engineering Services; 541611 - Admin. Mgmt. and Gen. Mgmt.	Hispanic American	1.68%
9.	Stellar Services, Inc.	Program Management Information Systems	541511 - Custom Comp. Prog. Services; 541512 - Computer System Design Services; 541519 - Other Computer Related Services;	Asian Pacific American	0.51%
Total Commitment					73.31%

B. Contracting Outreach and Mentoring Plan

To be responsive, Proposers were required to submit a Contracting Outreach and Mentoring Plan (COMP), to include their plans to mentor two (2) DBE firms for protégé development.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Living Wage Service Contract Worker Retention Policy Applicability

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

E. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this contract.