



Board Report

File #: 2020-0685, File Type: Contract

Agenda Number: 37.

CONSTRUCTION COMMITTEE
JANUARY 21, 2021

SUBJECT: ENERGY AND CLIMATE CONSULTANT SERVICES

ACTION: AWARD CONTRACT

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer (CEO) to award and execute a three (3) year base plus two one-year option years contract, Contract No. AE67484, with TRC Energy Services for Energy and Climate Services on Task Orders, inclusive of three base years with an initial amount not-to-exceed \$7,618,165.92, and two one-year options (Option Year 1: \$2,539,388.66; Option Year 2: \$2,539,388.66), staff will return to the Board to authorize the options. This recommendation is subject to the resolution of any properly submitted protest; and
- B. AUTHORIZING the CEO to award individual Task Orders and changes up to the authorized Not-to-Exceed contract amount of \$7,618,165.92.
- C. AUTHORIZING Contract Modification Authority (CMA) in the amount of \$1,269,694.32 (10% of the not-to-exceed contract amount) and authorizing the CEO to award and execute individual task order, changes and/or modifications within the CMA amount.

ISSUE

Metro’s energy choices have far-reaching impacts on the climate, regional air quality, community health, and the stability of our transportation network. Recognizing this reality, Metro has made long-term commitments to energy efficiency, transitioning to renewable energy sources, reducing greenhouse gas emissions, climate adaptation and ensuring energy resilience. These and other sustainability and resiliency commitments have been in place and implemented since 2007. Our agency has renewed these commitments and updated our implementation plan through the Board approved 2019 Climate Action and Adaptation Plan and the 10-year Sustainability Strategic Plan, *Moving Beyond Sustainability*.

The issues and solutions to Metro's energy and climate change challenges are intertwined. In fact, more than half of Metro's climate change strategy is tied to energy, energy management, energy resiliency, and renewable energy. There must be an integrated approach moving forward, and the recommended award of Contract No. AE67484 to TRC Energy Services for Energy and Climate Services is designed to fulfill that need. These services will ensure the protection of human health and the environment, addressing the challenge of operational sustainability while ensuring a renewable, resilient and reliable energy future.

DISCUSSION

Metro's current Energy Efficiency and Renewable Energy Services contract was awarded in 2015. This contract supports numerous, critical energy and sustainability program needs, such as the preparation of analyses, studies, surveys, investigations, modeling, predictions, and/or reports related to energy management and renewable energy design, construction, operation and maintenance for Metro's current and future system.

In addition, Metro's current Climate Change and Adaptation and Greenhouse Gas Emissions Consultant Services contract supported development of the 2019 Climate Action and Adaptation Plan, provided State-level climate policy analysis to the Metro Chief Sustainability Officer, developed a framework to implement climate resilience, and conducted climate risk analysis for capital projects.

In the coming years, Metro's total energy consumption will significantly increase due to the ongoing expansion of the rail system and our commitment to fleet electrification. This expansion and increasing demand mean that Metro will need to implement advanced strategies to meet our energy and climate goals, including reducing and managing energy consumption, while transitioning to clean renewable energy sources.

The use and sourcing of energy has ongoing impacts and longstanding implications for the environmental, fiscal and infrastructural resilience of our system. We are already taking proactive measures to ensure the reliability of the energy systems that supply our infrastructure. This will become even more necessary as our bus fleet is electrified and our transportation system expands.

Implementation of our sustainability strategies had been effective, resulting in the meeting or exceeding of our goals by successfully reducing resource consumption, decreasing air pollutant and greenhouse gas emissions and improving operational efficiency. These efforts not only advance the sustainability of our system, but also yield operational cost savings for years to come. In some cases, revenues from our activities have also been generated in environmental finance markets. Per Metro Board Policy, *the funds generated from these activities were reinvested back into the environmental and sustainability programs or to the creation or maintenance of sustainable infrastructure.*

To further advance Metro's sustainability and environmental goals, we have combined the Energy and Climate Change efforts under one contract to ensure that we align our short-term energy strategies and long-range climate change targets. Contract No. AE67484, with TRC Energy Services for Energy and Climate Services will provide the necessary staff, sub-consultants, equipment, software, supplies, and services required to support the tasks associated with the energy and climate change efforts. The consultant shall employ or subcontract as necessary with diverse professionals

such as Professional Engineers, Certified Energy Managers, Energy Efficiency Engineers, Commissioning Agents, Sustainability Engineers, Lighting Engineers, Leadership in Energy and Environmental Design (LEED®) accredited professionals and such other professional practitioners as may be needed to support the required energy efficiency, renewable energy, energy resiliency and other energy related programs, projects and initiatives.

DETERMINATION OF SAFETY IMPACT

The unprecedented events of 2020 have accentuated the importance of Metro's system as a lifeline for Angelenos, as well as our role in emergency response. When it comes to energy, the stability of the grid is foundational to Metro's ability to function and provide safe and reliable transit to those who need it. Metro must be able to remain operational, even if the power grid is down.

This Board action will provide the necessary programmatic support in the overall management of our energy and climate change strategies. That in turn will facilitate the long-term safety, security, and continuity of Metro's operations by improving the resiliency of our energy system, improving the management and efficiency of energy use and contributing to a state of good repair.

FINANCIAL IMPACT

Contract No. AE67484 will be an Indefinite Delivery/Indefinite Quantity (IDIQ) contract. No MTA funds are obligated until a Contract Work Order (CWO) is issued by Metro 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 Metro budget for any particular fiscal year. Specific funding for this contract will parallel the project approved by Board under separate actions. The Chief Sustainability Officer, Chief Program Management Officer, and Project Managers of each of the projects will be responsible for developing and overseeing the appropriate annual budgets.

Impact to Budget

The initial source of funds for this contract is included in the FY21 budget under Project Number 450001 - Energy Conservation Initiative, Cost Center 8420 Environmental Compliance and Services, Account 50316 Professional and Technical Services. Future task orders are to be individually negotiated and level of effort fully defined prior to the authorization of any project specific funds from the projects that would use these services. Usage of bus and rail operating eligible funds will be limited to tasks directly associated with Operations.

This professional services contract will support the implementation of Metro's Strategic Plan Goals,

with specific alignment to Initiative 5.2 - Exercise good public policy judgement and sound fiscal stewardship; and Initiative 5.4 - Apply prudent commercial business practices to create a more effective agency.

The Energy and Climate Services contract will support these strategic goals by: 1) advancing operational efficiency and expanding the use of clean, renewable energy; 2) generating cost savings and reducing the prevalence and cost of retroactive sustainability upgrades; and 3) improving the reliability and resiliency of the energy systems supplying our transit infrastructure.

ALTERNATIVES CONSIDERED

Metro's sustainability program, administered through the Environmental Compliance and Sustainability Department (ECSD), has historically used sustainability consulting contracts to provide expert supplement for current staff expertise. 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 climate change programs.

Metro's sustainability and resiliency program has also grown to include more than 150 separate initiatives that positively impact our agency and our region. Many of these are related to the energy and climate change initiatives. The successes we have seen and the challenges we overcame were achieved through the deliberate planning of energy and climate change projects and the procurement of consultant resources to support the overall program.

Specifically, in this time of financial constraint, Contract AE67484 is designed to cost-effectively and cost-efficiently advance Metro's existing energy resiliency, renewable energy and climate change efforts, while establishing the next generation of initiatives and best practices. This is accomplished by using only the optimum amount of resources for specific energy and climate change tasks as Metro scales up or down its operations post lockdown.

As an alternative, staff can solicit and award individual contracts every time additional staff is needed in any of our energy and climate change-related efforts. We are not recommending this option. Further procuring for 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.

The existing contracts that currently provide support to our energy and climate initiatives are expiring. Majority of our climate change goals are tied to our energy strategies and initiatives. If this contract is not awarded, the timing of the implementation of our energy and climate change programs as outlined in our 10-year sustainability strategic plan will be significantly impacted.

NEXT STEPS

Upon Board approval, staff will execute the conformed contract and proceed with issuing Task Orders and Contract Work Orders. Material activities and work products relative to the support provided by this contract will be included in Metro's annual sustainability report.

ATTACHMENTS

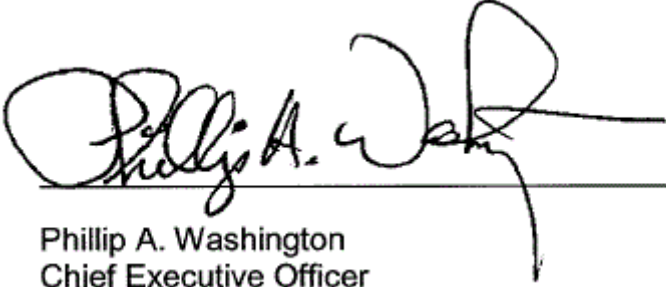
Attachment A - Procurement Summary

Attachment B - Types and Total Value Estimates of Projects - FY21 to FY25

Attachment C - DEOD Summary

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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

ENERGY AND CLIMATE SERVICES
AE67484

1.	Contract Number: AE67484	
2.	Recommended Vendor: TRC	
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: December 27, 2019	
	B. Advertised/Publicized: December 20, 2020	
	C. Pre-Proposal Conference: January 7, 2020	
	D. Proposals Due: March 3, 2020	
	E. Pre-Qualification Completed: September 19, 2020 (Prime)	
	F. Conflict of Interest Form Submitted to Ethics: September 3, 2020	
	G. Protest Period End Date: Est. November 23, 2020	
5.	Solicitations Picked up/Downloaded: 181	Proposals Received: 7
6.	Contract Administrator: Helen Gates-Bryant	Telephone Number: 213-922-1269
7.	Project Manager: Craig Reiter	Telephone Number: 213-418-3097

A. Procurement Background

This Board Action is to approve the award of Contract No. AE67484, issued in support of the Energy and Climate Services Project, providing support to Metro in its climate, energy, water and resources conservation and management program. These program areas support Metro's commitment to reduce, re-use, and recycle all internal resources and reduce greenhouse gas emissions. Board approval of contract award is subject to resolution of any properly submitted protest.

The RFP was issued in accordance with Metro's Acquisition Policy and California Government Code §4525-4525.9. The contract type is a Cost Reimbursable, specifically a Cost Plus Fixed Fee.

Six (6) amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on January 3, 2020 changed the date and location of Pre-Proposal Conference
- Amendment No. 2, issued on January 8, 2020 added the required Form 60 in Excel Format
- Amendment No. 3, issued on January 10, 2020 clarified/revised solicitation documents (including submittal requirements and scope of services)
- Amendment No. 4, issued on January 31, 2020 changed the date proposals were due and acceptable **formats** for proposal submissions

- Amendment No. 5, issued on February 11, 2020 clarified/revised solicitation document (including submittal requirements)
- Amendment No. 6, issued on February 18, 2020 changed the date proposals were due

A total of seven (7) proposals were received on March 3, 2020. Metro held a pre-proposal conference on January 7, 2020, with a total of fifty-nine (59) people in attendance. Metro had representation from the Risk Management, Ethics, Pre-Qualification, Corporate Safety, Project Management and DEOD, to highlight the main elements of the RFP including the Disadvantaged Business Enterprise (DBE), Small Business Enterprise (SBE), and the Disabled Veteran Business Enterprise (DVBE) goal setting process for this multi-funding source, single award contract. Goals will be recommended based on scope of work and estimated dollar value for each task order, based on its federal and/or state/local funding. A total of seventy-eight (78) questions were received between the issuance of the solicitation and the RFP due date. All questions were addressed by three (3) separate Question and Answer memorandums and the Amendments listed above.

1. Anser Advisory Management, LLC dba Anser Advisory
2. ARUP North America, Ltd.
3. Burns & McDonald Engineering Co., Inc.
4. Guidehouse, Inc.
5. Morgner Construction Management
6. TRC Engineers, Inc. (CA)
7. Vanir Construction Management, Inc.

On March 20, 2020, Metro held Oral Presentations with the three (3) top ranked proposing firms, at which time Metro received three (3) sealed cost proposals that remained unopened until the recommended firm was approved by executive management in order to open their cost proposal only.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Environmental Compliance/Sustainability, and Construction Management, 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 Skill and Experience 35 percent
- Understanding of Work and Appropriateness of Approach for Implementation 35 percent

- Effectiveness of Management Plan

30 percent

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 skills and experience of key personnel, particularly the Project Manager's technical and managerial experience, and capabilities on similar projects and phases of work. The understanding and approach to implementing the work, with emphasis on maintaining schedule and budget in managing the three phases of the project.

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

Of the seven (7) proposals received, the top three (3) ranked proposers were invited to make oral presentations. The three (3) firms are listed below in alphabetical order:

- 1, Anser Advisory Management, LLC dba Anser Advisory
- 2, Guidehouse, Inc.
- 3, TRC Engineers, Inc. (CA)

All appointed PET representatives reviewed a list of the Proposers and their subconsultants; none were aware of any actual or potential conflict of interest that may arise due to their participation in the evaluation of the Proposals, then completed and certified the Declaration of Confidentiality / No Conflict of Interest form.

During the oral presentations, 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.

The PET evaluated and scored the capabilities of each proposer and its team of subconsultants, in accordance with the Evaluation Criteria in the RFP Documents.

Qualifications Summary of Recommended Firm: The PET ranked the proposals and assessed major strengths, weaknesses and associated risks of each of the Proposers to determine the most qualified firm. The evaluation performed by the PET determined TRC, as the most qualified firm to provide Energy and Climate Services, as provided in the RFP Scope of Services. What distinguished TRC was they demonstrated, through their written proposal and oral presentation, their extensive experience performing Energy and Climate Services, including significant expertise in energy management and energy supply projects, climate adaptation and resilience projects, and strong transit energy project experience identified in the Scope of Services. TRC also demonstrated an exceptionally thorough and comprehensive understanding of managing multiple deliverables. The team is highly experienced in delivering similar projects with an excellent record in client

satisfaction on Metro projects Zero Emissions Bus (ZEB) Program Master Plan, Bill Reduction and Sustainability Strategies, Countywide Sustainability Reports & Performance Metrics, and similar projects throughout California.

Furthermore, the recommended team demonstrated that it is versed in providing the Scope of Services related to this contract, and has the capabilities to provide staffing for the type of work that is required under this contract. TRC exceeds the requirements of the three highest weighted criteria. It shows the Team is exceptionally thorough and has a comprehensive understanding of Metro's goals and methods, and resource allocation.

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	TRC				
3	Degree of Skill and Experience	88.17	35.00%	30.86	
4	Understanding of Work and Appropriateness of Approach for Implementation	91.80	35.00%	32.13	
5	Effectiveness of Management Plan	91.67	30.00%	27.50	
6	Total		100.00%	90.49	1
7	Guidehouse				
8	Degree of Skill and Experience	85.34	35.00%	29.87	
9	Understanding of Work and Appropriateness of Approach for Implementation	87.80	35.00%	30.73	
10	Effectiveness of Management Plan	86.10	30.00%	25.83	
11	Total		100.00%	86.43	2
12	Anser Advisory				
13	Degree of Skill and Experience	81.94	35.00%	28.68	
	Understanding of Work and Appropriateness of Approach for Implementation	88.37	35.00%	30.93	
14	Effectiveness of Management Plan	86.73	30.00%	26.02	
15	Total		100.00%	85.63	3

C. Cost Analysis

The recommended cost has been determined to be fair and reasonable based upon a cost analysis of labor rates, indirect rates and other direct costs completed in

accordance with Metro’s Procurement Policies and Procedures. The analysis includes, among other things, a comparison with similar firms; an analysis of rates and factors for labor, and other direct cost upon which the consultant will base its billings. Metro negotiated and established provisional indirect (overhead) rates, plus a fixed fee based on the total estimated cost for the contract term to compensate the consultant. Additionally, direct labor (level of effort) was reduced in several disciplines within the scope of services. This in turn reduced overhead costs, subconsultant costs and fixed fee for the prime and subconsultants.

Audits will be completed, where required, for those firms without a current applicable audit of their indirect cost rates, other factors, and exclusion of unallowable costs, in accordance with Federal Acquisition Regulation (FAR) Part 31. In order to prevent any unnecessary delay in contract award, provisional overhead rates have been established subject to 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 purpose rather than perform another audit.

Proposer Name	Proposal Amount	Metro ICE	Recommended NTE amount
TRC	N/A ⁽¹⁾	\$12,696,943.23 ⁽²⁾	\$7,618,166. ⁽³⁾

- (1) A proposal amount is not applicable as this is a Cost Plus Fixed Fee (CPFF) with no definable level of effort for the Scope of Services. Hourly labor rates, overhead and fee were negotiated and determined to be fair and reasonable.
- (2) Metro Independent Cost Estimate (ICE) is for the three year base contract plus two one-year options
- (3) The amount of \$7,618,166.00 is V/CM's extraction from the Independent Cost Estimate (ICE) for the three-year base contract period

D. Background on Recommended Contractor

The recommended firm, TRC, located Irvine, California, is a national leader in the delivery of energy and climate consulting services with direct, relevant experience in energy advisory services, technical and engineering services, and sustainability planning. TRC’s experience includes climate adaptation and resilience, building energy management, and air quality and greenhouse gas monitoring/mitigation which are important elements within the scope of this contract.

TRC has assembled a team with relevant expertise capable of supporting Metro across multiple task orders simultaneously without jeopardizing quality, or on-schedule delivery of projects. The TRC team has successfully worked hand-in-hand with Metro’s Environmental Compliance and Sustainability Departments for more than eight years. The multidisciplinary team includes 23 subconsultants that have a vast knowledge and experience with Metro, including work on the Metro Red and Gold Line Flywheel Assessments, Blue Line Testing and Integration, Metro Regional Connector Transit Corridor Project, and Systemwide electric, gas and water validation projects.

The Project Director has 29 years of project and program management experience in government and utility industries supporting energy, sustainability, and environmental strategic planning efforts. For the last four years, the Director's priority has been their management role on Metro's Energy Management Program. The Project Director's commitment to this project will be 100% availability. The availability of additional Leads and Managers on the team is between 100% to 75%.

Attachment B: Types and Total Value Estimates of Projects – FY21 to FY25

**PROFESSIONAL SERVICES CONTRACT FOR ENERGY AND CLIMATE SERVICES
(Contract No. AE67484A)**

Tasks	Years 1-3	Year 4	Year 5
Building Energy Management			
<ul style="list-style-type: none"> • Designing and implementing energy efficiency building and systems retrofits • Developing and supporting energy efficient building and systems design and construction for new construction and major renovations; • Leading the development and implementation of portfolio-level building management systems and a retro-commissioning program; • Fulfilling or supporting the role of an agency-wide energy manager; • Acting as Metro’s building commissioning agent on complex new construction and major renovation projects; • Assisting Metro with green building and infrastructure certification and meeting relevant green building codes and requirements; • Designing and implementing on-site renewable energy generation, distributed energy resources, battery storage, and microgrid solutions. 	\$3,987,625.58	\$1,329,208.53	\$1,329,208.53
Energy Supply and Vehicle Fuel			
<ul style="list-style-type: none"> • Developing, implementing, and managing a long-term energy and fuel supply plan; • Developing, executing, and managing energy supply agreements; • Supporting optimization of environmental commodities through Metro’s energy supply chain; • Modeling and analyzing Metro’s energy consumption, rates, costs, and pricing exposure; • Coordinating with Metro’s utility partners, energy suppliers, and relevant regulatory bodies 	\$1,491,206.80	\$497,068.94	497,068.94
Climate Adaptation & Resilience			
<ul style="list-style-type: none"> • Support hazards identification, modeling, mapping, tracking, and mitigation; • Develop asset and organizational risk and/or resilience assessments; • Develop and assess adaptation actions that harden/protect infrastructure, adjust 	\$1,390,320.78	\$463,440.26	\$463,440.26

ATTACHMENT B

<ul style="list-style-type: none"> operations/change behaviors, or relocate or re-site infrastructure or services; Develop adaptation projects through, design, engineering, site assessment, piloting, implementation, monitoring, and evaluation. 			
Air Quality and GHG Monitoring and Mitigation			
<ul style="list-style-type: none"> Developing and maintaining criteria air pollutant and greenhouse gas emissions inventories; Supporting emissions monitoring and compliance activities; Conducting program wide and project or activity-based emissions analyses; Developing additional GHG mitigation practices Monitoring agency progress on air quality and GHG programs 	\$749,012.77	\$249,670.93	\$249,670.93
Sub-Totals:	\$7,618,165.93	\$2,539,388.66	\$2,539,388.66
Total:	\$12,696,943.23		

DEOD SUMMARY

**PROFESSIONAL SERVICES CONTRACT FOR ENERGY AND CLIMATE SERVICES
(Contract No. AE67484A)**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) will determine a Disadvantaged Business Enterprise (DBE), Small Business Enterprise (SBE), and the Disabled Veteran Business Enterprise (DVBE) goal for each task order prior to issuance of each task order for energy and climate services. A DBE or SBE/DVBE goal will be recommended based on scopes of work and estimated dollar value for a task order that is federally and/or state/locally funded.

Proposers were encouraged to form teams that include DBE, SBE, and DVBE firms to perform the scopes of work identified without schedules or specific dollar commitments prior to establishment of this contract. TRC Engineers, Inc. will be required to meet or exceed the DBE contract-specific goal or demonstrate good faith efforts to do so. TRC Engineers, Inc. will be required to meet or exceed the SBE/DVBE contract-specific goal to be eligible for task order award.

Prime: TRC Engineers, Inc. (CA)

	Subcontractors	SBE	DVBE	DBE
1.	3COTECH	X		X
2.	Coda Group Inc.	X		X
3.	Davenergy Solutions		X	
4.	GCAP Services, Inc.	X		X
5.	ICI Engineers, Inc.	X		
6.	Indian Energy	X		X
7.	Michele Chait, LLC	X		
8.	PacRim Engineering, Inc.	X		X
9.	Raimi + Associates	X		
10.	Simplex Construction Management, Inc.	X		X
11.	Turner Engineering Construction	X		

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.