



Board Report

File #: 2021-0072, File Type: Contract

Agenda Number: 40.

EXECUTIVE MANAGEMENT COMMITTEE  
MARCH 18, 2021

SUBJECT: SEPULVEDA TRANSIT CORRIDOR PROJECT

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

- A. AUTHORIZE the Chief Executive Officer (CEO) to award the following two (2) Contracts, subject to resolution of protests, if any.
  - a. Contract No. PS66773MRT to LA SkyRail Express, a special purpose corporation to be formed between John Laing Investments Limited and BYD Transit Solutions LLC, for pre-development services for a proposed Monorail technology transit solution concept (“TSC”) in an amount not to exceed \$63,605,132.
  - b. Contract No. PS66773HRT to Sepulveda Transit Corridor Partners -Bechtel, a special purpose vehicle to be formed between Bechtel Development Company, Inc., Meridiam Sepulveda, LLC and American Triple I Partners, LLC, for pre-development services for a proposed Heavy Rail technology transit solution concept (“TSC”) in an amount not to exceed \$69,882,427.
- B. APPROVE Contract Modification Authority in the amount of 25% for each of the two contract award values, respectively, and authorize the CEO to execute individual Contract Modifications within the Board-approved Contract Modification Authority.

ISSUE

On October 31, 2019, Metro issued Request for Proposals (RFP) No. PS66773 seeking up to two qualified contractors to perform pre-development work for the Sepulveda Transit Corridor Project on a firm fixed price basis, with the potential opportunity for one of the contractors to enter into an Implementation Agreement for project delivery after completion of the pre-development work. Metro will determine which developer (if any) will have the opportunity to potentially proceed with implementation.

The Statement of Work, as included in the RFP, is broken out into five phases. Metro may choose not to issue a Notice to Proceed for any phase, in its sole discretion. In addition, if a Contractor’s Transit

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Solution Concept (TSC), as refined through the PDA process, is not selected by the Board as the locally preferred alternative (LPA) established for construction, the Contract will expire at the end of Phase 3. Metro's decision to request a proposal for implementation from the remaining Contractor, if any, and to proceed with negotiation of such agreement will be made at Metro's sole discretion upon Board approval.

Staff has completed the procurement process and is recommending for award (1) a contract to LA SkyRail Express for a proposed Monorail technology TSC and (2) a contract to Sepulveda Transit Corridor Partners - Bechtel for a proposed Heavy Rail technology TSC.

## **BACKGROUND**

Metro is planning for the construction of a fixed-guideway transit service running between the San Fernando Valley ("Valley") and Los Angeles International Airport ("LAX"), through the Westside of Los Angeles ("Westside"). The section of Interstate 405 ("I-405") between these high-demand areas remains one of the most congested urban freeway corridors in the United States. Prior to the current pandemic (COVID-19), more than 400,000 people moved through this area every weekday. Much of this crowding is a result of the geography of the area and the limited number of roads and public transport options running north-south through the Santa Monica Mountains.

To address the need for additional transportation capacity, the initial phase of the Project will connect the San Fernando Valley to West Los Angeles ("Valley to Westside" or the "Project"), and ultimately extend a final project phase south to LAX ("Westside-LAX Extension"). Each project phase is included in Metro's Measure M Expenditure Plan, which specifies delivery of the Valley to Westside project phase by 2033-35 and delivery of the Westside to LAX project phase by 2057-59.

The Project is part of the Measure M expenditure plan, with approximately \$5.7 billion for new transit service to connect the San Fernando Valley and the Westside, scheduled to open by 2033-35. Approximately \$3.8 billion is allocated to extend that service from the Westside to LAX with a 2057-59 opening date.

At the December 2019 meeting (Legistar File 2019-0759), the Board received the findings of the Sepulveda Transit Corridor Feasibility Study. The study included the identification and valuation of high-capacity rail transit concepts and alternatives that would provide high quality service to a large travel market between the San Fernando Valley and the Westside, including the LAX area.

## **DISCUSSION**

### **Pre-Development Agreement Approach**

A pre-development agreement (PDA) is a form of early contractor involvement where a private project developer participates in early project definition and design, in partnership with the project owner. PDA contractors will provide technical work products including cost estimates, constructability

reviews, technical analyses, etc. that support the ongoing development of the project as it progresses through the environmental review and approval processes.

In July 2019, the Board approved a finding that the use of a PDA approach pursuant to Public Utilities Code Section 130242 will achieve certain private sector efficiencies in the integration of the planning, design and construction of the Project (file 2019-0490).

Previously in 2012, the Metro Board directed Metro staff to "...proceed with all actions necessary to assist in the preparation of a Pre-Development Agreement (PDA) to develop the [Sepulveda Transit Project]" in a motion made by Directors Richard Katz and Mel Wilson, approved at the December 13, 2012 Board meeting. The Board's approval for solicitation of a PDA also followed receipt by Metro in 2016, of three Unsolicited Proposals (UP) for delivery of the Sepulveda Transit Corridor, each of which offered different approaches to achieve innovative, accelerated delivery of the project. Two of the three also proposed the use of a PDA to advance preliminary definition and design of the project, followed by project delivery through a potential public-private partnership (P3), which would include the design, construction, finance, and potentially project operations and/or maintenance.

The PDA project development period includes clear phases and milestones, which occur in parallel with, but separate from, the process of developing the environmental documents to satisfy the requirements of NEPA and CEQA. In each phase, a PDA contractor advances the design of its TSC, at Metro's direction, considering public and stakeholder feedback received by Metro through the environmental process.

In particular, PDA Phases 1 through 3 are focused on building upon the concepts submitted in the PDA Proposals by refining and advancing the design of each proposed concept based on technical analysis (e.g. factors such as site investigations, field reviews/surveys, performance assessment), stakeholder meetings, and public feedback. This may also involve studying other concepts to make connections to important destinations (which may include, but not limited to UCLA), which may be explored further during the PDA and environmental processes based on technical feasibility and stakeholder feedback.

The conclusion of each PDA phase allows Metro the opportunity to decline to continue its relationship with a PDA contractor. Each Contract would also allow Metro the ability to add work relating to the Westside-LAX Extension to the scope of work under the Contract, in coordination with the environmental process.

After the Board establishes a Locally Preferred Alternative (LPA) for the Project, which is anticipated to occur at the end of PDA Phase 3, Metro may elect to continue pre-development work with a Contractor if its TSC is selected by the Board as the LPA, and the other Contract will expire.

Thereafter, during PDA Phase 4, the selected Contractor will advance the engineering of the selected mode, configuration, and alignment to a level of detail necessary to submit an Implementation Proposal.

Once certain conditions have been met as specified in the Contract, as part of PDA Phase 5, Metro may offer the remaining Contractor the opportunity to submit a firm fixed price proposal (or other pricing model, as determined by Metro to ensure the desired cost certainty) for Project

implementation. Metro would review the Project Implementation Proposal and make a recommendation to the Board whether to proceed with a modification to the Contract (called an “Implementation Agreement”) with that Contractor. This Implementation Agreement would potentially include Project financing, operations, and maintenance, as well as final design and construction. This process is summarized in the figure below.



Staff intends to provide quarterly updates to the Board, including status of schedule, budget, and key stakeholder/third party issues. These updates will be coordinated with Planning and Communications Departments.

### PDA Solicitation Approach

Metro issued a Request for Proposal (RFP) No. PS66773 for the performance of pre-development work for the Project on October 31, 2019.

In order to participate in this solicitation, prospective Proposers were required to meet certain criteria prior to submitting a proposal, as demonstrated through an Initial Qualifications Submittal. This submittal included information about the prospective Proposer and its equity members, previous experience of the proposed lead construction contractor and lead engineering firm, and the previous experience of proposed equity member(s). A total of five teams were determined to be qualified to submit proposals.

Metro’s objective for the PDA was to generate unique and creative concepts to address the mobility challenge in the study area, which could be developed into a feasible project and successfully delivered/implemented within Metro’s desired timeframe and budget. To maximize potential competition and innovation, Metro did not specify a required mode, alignment, or configuration for the Project. Firms were encouraged to propose solutions that best met the required project parameters, as stated in the RFP, that were likely to be technically and financially feasible.

Metro staff developed a PDA Solicitation approach to evaluate the technical and financial feasibility of potential PDA team(s) across a range of qualities, including, but not limited to: 1) quality of transit concept, 2) quality of project development approach, 3) project development experience, and 4) project delivery/implementation experience, as well as 5) price components and 6) diversity/inclusion.

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This approach was intended to balance the quality of each team’s proposed TSC (mode, alignment, configuration, station locations, etc.) with its approach to developing the conceptual TSC proposal into a technically and financially feasible project, and the qualifications and experience that support each team’s ability to successfully deliver both the PDA work and the potential project implementation. As part of this, teams were encouraged to identify key project development or delivery challenges associated with its TSC, as well as strategies for mitigating or addressing these risks.

As part of the RFP, Metro established Disadvantaged Business Enterprise (DBE) contract goals for this project in the following percentages:

Phase	DBE Contract Goal in percentage of Payment Amount
1	30%
2	25%
3	23.50%
4	24.94%

Proposals were received by August 26, 2020 from the following four teams:

- LA SkyRail Express (Monorail mode)
- Sepulveda Transit Corridor Partners - Bechtel (Heavy Rail mode)
- Sepulveda Transit Corridor Partners - Fengate (Light Rail mode)
- Tutor Perini, Parsons & Plenary (Heavy Rail mode)

### Proposal Evaluation Approach

Following a responsiveness review, a Proposal Evaluation Team (PET), supported by a range of Subject Matter Experts (SME) through fact-based analysis, reviewed each technical and financial proposal submitted, and scored each proposal according to the Evaluation Criteria described in the RFP. Oral presentations/interviews were conducted with all four proposing teams. The PET members scored the proposals in accordance with the evaluation procedure outlined in the RFP, the final scores were calculated and the highest-ranked proposal for each proposed transit mode was determined.

The following firms were determined to be the two highest ranked proposers:

- LA SkyRail Express team (Monorail); and
- Sepulveda Transit Corridor Partners - Bechtel (Heavy Rail)

Attachment B provides further details regarding the procurement process including:

1. The number of questions received from Proposers,
2. The Amendments to the RFP issued by Metro,
3. The evaluation process,
4. A summary of the qualifications of the recommended teams,

5. The evaluation scores, and
6. A price analysis

### Consistency with Metro's Equity Platform Framework

To help address disparities in access to opportunity across Los Angeles County, the Metro Board adopted the Equity Platform policy framework in February 2018 and a working definition of Equity Focus Communities (EFC) in June 2019. The Sepulveda Transit Corridor is consistent with the Metro Equity Platform in that the alternatives help address accessibility for residential and employment centers, support for transit-oriented communities' policies, support for first/last-mile connections, and investment in disadvantaged communities. In addition, ridership estimates suggest that a large share of the ridership demand would include low-income riders. Going forward, the Project will use the working definition of EFC along with other metrics as appropriate to guide analyses and to conduct robust community engagement.

### Community Outreach

The Board awarded a separate outreach contract (Contract No. PS68039000) to Arellano Associates LLC at its December 2020 Board meeting. The outreach contractor will support the facilitation and implementation of a Community Participation Program (Program) for the Project, inclusive of the environmental study, the work of the PDA developers as it contributes to the outreach associated with the environmental study, related advanced conceptual engineering (ACE) and associated transit-oriented communities (TOC), first/last mile planning and design of the Project. Using Metro's Equity Platform as a guide, the Program will prioritize genuine public and community engagement to a wide array of diverse stakeholders, using tactics and strategies appropriate to the Project's stakeholders, including those who reside within the Study Area and those who travel through it.

### **DETERMINATION OF SAFETY IMPACT**

These actions will not have any impact on the safety of Metro customers and/or employees because this project is in the planning process phase and no capital or operational impacts result from this Board action.

### **FINANCIAL IMPACT**

This Project is funded on a fiscal year basis under Project number 460305 Sepulveda Transit Corridor, cost center 8510, under various accounts including Professional/Technical Services and \$9.1M is included in the FY21 Adopted Budget. This amount is consistent with the CEO's Call to Action Financial Recovery Plan. This is a multi-year project requiring expenditure authorizations in fiscal year increments until a Board Authorized Life of Project Budget is adopted. As required in the RFP, each PDA Team submitted its Price Proposal broken down by PDA Phase. Metro will only be responsible for costs for work accepted as part of the completion of a PDA Phase. Because Metro intends to issue a notice to proceed for PDA Phase 4 with only one of the two Contractors (if any), Metro will only be responsible, at a maximum, for Phase 4 and Phase 5 costs submitted by one of the two teams. The table below provides the PDA Price by Phase for each recommended Proposer.

		<b>PDA Price by Phase</b>	
		<b>LASRE</b>	<b>STCP - Becht</b>
Phase 1	Alternatives Refinement	\$6,445,812	\$6,500,000
Phase 2	Conceptual Engineering & Analysis	\$20,869,629	\$22,494,822
Phase 3	Conceptual Engineering to Support LPA Selection	\$9,784,655	\$9,452,860
Phase 4	Final Technical Concept	\$26,505,036	\$31,434,745
Phase 5	Project Implementation Proposal	\$0	\$0
	<b>Total</b>	<b>\$63,605,132</b>	<b>\$69,882,427</b>

It is the responsibility of the Cost Center Manager, Project Manager and Chief Program Management Officer to budget for this project in the future fiscal years and within the cumulative contract limits.

Impact to Budget

The Sepulveda Transit Corridor Project is included in Metro’s current Long Range Transportation Plan (LRTP), as approved by the Metro Board in 2020, which is consistent with the Measure M expenditure plan approved by LA County voters in 2016. Funding for the Project in the Expenditure Plan is broken down into three phases with approximately \$9.7 billion in total funding (2015 dollars). Phase 1, with \$260 million in funding, includes implementation of Metro ExpressLanes on the I-405 between the 10 and 101 Freeways with an opening date of Fiscal Year (FY) 2026. Phase 2, with approximately \$5.7 billion in funding, includes a fixed-guideway transit service between the San Fernando Valley and the Westwood area of Los Angeles, with an opening year of FY 2033. Phase 3, with approximately \$3.8 billion in funding, involves extending the Phase 2 project southward to LAX, with an opening year of FY 2057.

These funds are earmarked for the Sepulveda Transit Corridor project and are not eligible for Metro bus and rail capital and operating expenditures.

**IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The Sepulveda Transit Corridor Project will support the first goal of the Vision 2028 Metro Strategic Plan by providing high-quality mobility options that enable people to spend less time traveling. Travel times are forecast to be less than 30 minutes for Valley-Westside (from the Ventura County Metrolink Line in the north to the Expo Line in the south), and less than 40 minutes for Valley-Westside-LAX (from Metrolink to the Crenshaw/LAX Line). This performance is highly competitive with travel by car on the I-405 freeway.

The project will also support the goals of the strategic plan by enhancing communities and lives through mobility and access to opportunity by adding a new high-quality mobility option, closing a gap in the rail network that provides outstanding trip experiences and enhances communities and lives

through mobility and access to opportunity.

### **ALTERNATIVES CONSIDERED**

The Board could choose not to approve any or all of the recommendations. However, certain private sector efficiencies in the integration of project design with long-term operational performance and cost of ownership may not be achieved. Also, the opportunity to potentially identify strategies to improve performance, reduce costs, and accelerate project delivery utilizing this recommended method will not be available.

Metro staff explored delivering the Project utilizing Design/Bid/Build and Design/Build contracting, as well as a traditional hard-bid P3 (without early contractor involvement); however, these approaches would not benefit from contractor insights into project definition and design stages that could support more efficient achievement of Metro's project goals. Therefore, it is not recommended that either option be utilized.

### **NEXT STEPS**

Upon Board approval, staff will execute Contract Nos. PS66773MRT with LA SkyRail Express and PS66773HRT with Sepulveda Transit Corridor Partners - Bechtel and initiate the pre-development work.

### **ATTACHMENTS**

Attachment A - [Sepulveda Project Final Feasibility Report Link](http://media.metro.net/projects_studies/sfv-405/images/Feasibility%20Report.pdf)  
<[http://media.metro.net/projects\\_studies/sfv-405/images/Feasibility%20Report.pdf](http://media.metro.net/projects_studies/sfv-405/images/Feasibility%20Report.pdf)>  
Attachment B - Procurement Summary  
Attachment C - DEOD Summary

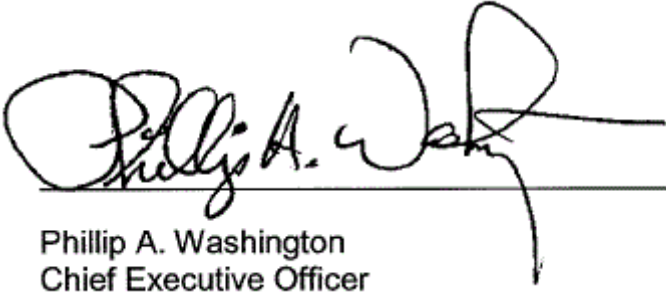
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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

**SEPULVEDA TRANSIT CORRIDOR PROJECT  
PRE-DEVELOPMENT SERVICES  
PS66773MRT / PS66773HRT**

1.	<b>Contract Numbers:</b> PS66773MRT PS66773HRT	
2.	<b>Recommended Vendor:</b> LA SkyRail Express (Monorail technology) Sepulveda Transit Corridor Partners -Bechtel (Heavy Rail technology)	
3.	<b>Type of Procurement (check one):</b> <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.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> October 31, 2019	
	<b>B. Advertised/Publicized:</b> October 31, 2019	
	<b>C. Pre-Proposal Conference:</b> January 8, 2020	
	<b>D. Proposals Due:</b> August 26, 2020	
	<b>E. Pre-Qualification Completed:</b> February 16, 2021	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> September 9, 2019	
	<b>G. Protest Period End Date:</b> March 1, 2021	
5.	<b>Solicitations Picked up/Downloaded:</b> 583	<b>Bids/Proposals Received:</b> 4
6.	<b>Contract Administrator:</b> Manchi Yi	<b>Telephone Number:</b> (213) 418-3332
7.	<b>Project Manager:</b> Kavita Mehta	<b>Telephone Number:</b> (213) 435-5047

**A. Procurement Background**

This Board Action is to approve Contract No. PS66773MRT to LA SkyRail Express (Monorail technology) and Contract No. PS66773HRT to Sepulveda Transit Corridor Partners – Bechtel (Heavy Rail technology) to furnish all goods and services required for the performance of pre-development work for the Sepulveda Transit Corridor Project (Project). Board approval of contract awards are subject to resolution of any properly submitted protest.

In July 2019, the Board approved a finding that the use of a pre-development agreement (PDA) approach pursuant to Public Utilities Code (PUC) Section 130242 will achieve certain private sector efficiencies in the integration of the planning, design and construction of the Project (file 2019-0490). The Board also approved the solicitation of PDA contracts and award of up to two contracts for different fixed guideway transit technology, pursuant to PUC 130242(e) with the recommended development team or teams chosen by utilizing a competitive process that employs objective selection criteria (in addition to price).

In August 2019, an industry outreach forum was held in the LA Union Station Ticket Concourse, which was attended by 202 attendees. At the event, Metro staff made

available to the general public information about the innovative contracting approach, and how firms could prepare to participate in this unique endeavor. Metro executive staff presented information and answered questions about the Project, the anticipated PDA, and the planned procurement.

On October 31, 2019, Request for Proposal (RFP) No. PS66773 was issued for the performance of pre-development work for the Project in accordance with Metro's Acquisition Policy and the contract type is firm fixed price. In the spirit of expanding competition, Metro had not determined the technology, nor the specific configuration or alignment, for the Project; therefore, firms were encouraged to propose innovative solutions that best met the project challenges. In accordance with the RFP and as previously approved by the Board, Metro may award up to two contracts as the result of the solicitation, with each of the selected developers performing certain pre-development work under the contract relating to the transit solution concept (TSC) it proposed, and with Metro determining which developer (if any) will have the opportunity to perform further pre-development work and potentially modify the Contract to proceed with implementation. Metro's decision to request a proposal for implementation from the remaining developer and to proceed with negotiation of such agreement will be made at Metro's sole discretion.

The RFP was issued with the following Disadvantage Business Enterprise (DBE) goals and is subject to Metro's DBE Contracting Outreach and Mentoring Plan (COMP).

- 30% of the PDA Phase 1 Payment Amount
- 25% of the PDA Phase 2 Payment Amount
- 23.50% of the PDA Phase 3 Payment Amount
- 24.94% of the PDA Phase 4 Payment Amount

The RFP required an Initial Qualifications (IQ) submittal from interested teams to demonstrate their previous experience and technical qualifications of three specific team members, including: 1) the proposed lead construction contractor, 2) the lead engineering firm, and 3) previous experience of the proposed equity member(s). Metro would review the IQ submittals received by the deadline stated in the RFP, and deem them acceptable, incomplete or unacceptable. If the submittal was deemed acceptable, the proposing team would be added to the list of eligible Proposers and would be eligible to submit a proposal for the performance of the PDA work on a firm fixed price basis, with the potential opportunity to enter into an Implementation Agreement after completion of the PDA work.

Six prospective teams submitted an IQ by December 11, 2019. The IQ submissions of the following five teams, listed below in alphabetical order, were determined to be acceptable, and were deemed eligible Proposers:

- ACS Infrastructure Development
- LA SkyRail Express

- Sepulveda Transit Corridor Partners - Bechtel
- Sepulveda Transit Corridor Partners - Fengate
- Tutor Perini, Parsons & Plenary

On January 8, 2020, a pre-proposal conference and DBE networking event was held with 268 people in attendance. Following the pre-proposal conference, eligible Proposers were provided table space to conduct networking sessions and outreach with DBEs to discuss contracting opportunities.

In January and February 2020, two rounds of one-on-one meetings were conducted with eligible Proposers and Metro staff. While the one-on-one meetings were not mandatory, they were intended to provide eligible Proposers with a better understanding of the RFP and to allow discussions regarding the Proposers' approach to the PDA work. At the request of the eligible Proposers, Metro agreed to two additional rounds of one-on-one meetings that were subsequently held in March and June 2020.

Sixteen amendments were issued during the solicitation phase of the RFP:

- Amendment No. 1, issued on November 20, 2019, provided revisions related to the Initial Qualifications (IQ) Submittal Requirements and extended the date for prospective Proposers to submit the IQ Submittal;
- Amendment No. 2, issued on January 31, 2020, provided revisions related to the Letter of Invitation for Proposal regarding subcontractors' eligibility to propose on multiple teams, Letter of Invitation Supplement (PDA), Proposal Submittal Requirements and Evaluation and Selection Process and Criteria;
- Amendment No. 3, issued on February 5, 2020, provided revisions related to Letter of Invitation Supplement (PDA) and Form of Contract;
- Amendment No. 4, issued on February 13, 2020, provided revisions related to the Proposal Submittal Requirements;
- Amendment No. 5, issued on February 19, 2020, added submission of clarification request date;
- Amendment No. 6, issued on February 26, 2020, extended the proposal due date;
- Amendment No. 7, issued on February 28, 2020, added submission of clarification request date;
- Amendment No. 8, issued on March 6, 2020, provided revisions related to Letter of Invitation, Instruction to Proposers, Proposal Submittal Requirements, Evaluation and Selection Process and Criteria and Form of Contract;
- Amendment No. 9, issued on March 11, 2020, added a third round of one-on-one meetings with eligible Proposers;
- Amendment No. 10, issued on March 23, 2020, extended the proposal due date;
- Amendment No. 11, issued on May 5, 2020, provided revisions related to Letter of Invitation, Letter of Invitation Supplement (PDA), Proposal Submittal

Requirements, Evaluation and Selection Process and Criteria and Form of Contract;

- Amendment No. 12, issued on May 29, 2020, added a fourth round of one-on-one meetings with eligible Proposers, extended submittal of proposed changes concerning Equity Members, Lead Construction Contractor, or Lead Engineering Firm and extended the proposal due date;
- Amendment No. 13, issued on July 13, 2020, provided revisions related to Letter of Invitation Supplement (PDA), Proposal Submittal Requirements, Evaluation and Selection Process and Criteria and Form of Contract;
- Amendment No. 14, issued on July 24, 2020, extended the proposal due date;
- Amendment No. 15, issued on August 4, 2020, provided revisions related to the List of Reference Documents;
- Amendment No. 16, issued on August 14, 2020, provided revisions related to submission of Proposals.

A total of 583 individuals downloaded the RFP and were included on the plan holders list. There were 360 questions submitted and responses were released prior to the proposal due date.

Of the five eligible Proposers, Metro received the following four proposals (and their technologies) by the due date of August 26, 2020. The firms are listed below in alphabetical order:

- LA SkyRail Express (Monorail technology)
- Sepulveda Transit Corridor Partners - Bechtel (Heavy Rail technology)
- Sepulveda Transit Corridor Partners - Fengate (Light Rail technology)
- Tutor Perini, Parsons & Plenary (Heavy Rail technology)

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) composed of staff from Metro's Program Management, Countywide Planning, and Office of Extraordinary Innovation and outside agency members from California Department of Transportation (Caltrans) and Los Angeles Department of Transportation (LADOT) reviewed each technical and financial proposal submitted. In addition, a team of subject matter experts (SME) from Metro, Jacobs Engineering and their subconsultants, and Ernst & Young and their subconsultants was assembled to provide subject matter expertise based on their background and relevant experience to offer technical and financial analysis to the PET.

The proposals were evaluated based on the responsiveness pass/fail requirements (administrative, technical, financial, price, and approach to diversity and inclusion) of the RFP and the following evaluation criteria and point allocations.

- **Evaluation of Technical Proposal (630 points)**
  - Qualifications and Experience to Support Project Development (110 points)
  - Approach to Completing PDA Work (290 points)
  - Quality of Proposer's Transit Solution Concept (230 points)
  
- **Evaluation of Financial Proposal (230 points)**
  - Project Finance Experience, Investment Capacity, Project Delivery Plan and Financial Strength (110 points)
  - Quality of TSC Financial Feasibility Plan (120 points)
  
- **Evaluation of Price Proposal (130 points)**
  - PDA Price (100 points)
  - Implementation Agreement Maximum Profit Margin (30 points)
  
- **Evaluation of Approach to Diversity and Inclusion (40 points)**

There was a total of 1030 possible points.

Several factors were considered when developing the evaluation criteria and point allocation for this solicitation, giving the greatest importance to the evaluation of the technical proposal. As noted above, to maximize potential competition and innovation, Metro did not specify a required mode/technology, alignment, or configuration for the Project. Firms were encouraged to propose a TSC that best met the required project parameters, as stated in the RFP, that were likely to be technically and financially feasible. Proposers were also asked to identify key technical and financial risks to their specific approach, as well as strategies for mitigating or addressing these delivery challenges. Finally, firms were encouraged to demonstrate how their qualifications and experience would support their approach to successfully developing and delivering the proposed project within Metro's desired timeframe and budget.

All proposals passed the responsive requirements included in the RFP. The PET began its independent evaluation of the proposals on September 1, 2020. Additionally, the SMEs independently reviewed the proposals to provide the PET with technical and financial comments based on their relevant subject matter experience, background and expertise. The SMEs identified factual information from the proposals and related analysis to support identification of strengths, weaknesses, and risks for each proposal in accordance with the evaluation criteria included in the RFP.

Oral presentations/interviews were conducted with all four proposing teams during the week of November 9, 2020.

The PET members finalized their scores in December of 2020. In accordance with the evaluation process outlined in the RFP, the final scores were calculated and the highest-ranked proposal for each proposed transit technology was determined.

From that list, the two highest-ranked Proposers were determined to be LA SkyRail Express team proposing a monorail technology and Sepulveda Transit Corridor Partners - Bechtel team, proposing a heavy rail technology.

### **Qualifications Summary of Proposing Teams**

#### *LA SkyRail Express*

LA SkyRail Express (LASRE) is a team comprised of BYD Transit Solutions LLC, John Laing Investments Limited, Skanska USA Civil West California District Inc. and HDR Engineering, Inc. The LASRE team proposed a monorail mode with 100% aerial alignment and unattended train operations. Their one-way trip time estimate from Valley to Westside is 24 minutes. Their financial proposal included a \$6.1 billion (capital expenses in 2020\$) TSC (Baseline Proposal), with \$221 million in anticipated equity investment, and \$63 million per year in operating expenses (2035\$). In addition to the Baseline Proposal, this proposal presented several other concepts to connect to important destinations (including UCLA) which may be explored further during the PDA and environmental processes based on technical feasibility and stakeholder feedback. LASRE submitted a detailed proposal which highlighted a well-developed technical solution concept design. The proposed project manager (PM) has direct experience on other monorail technology projects including Las Vegas Monorail and Vancouver SkyTrain. Their proposal included early consideration of operations and maintenance requirements to drive design decisions and minimize lifecycle costs. The proposal demonstrated strong financial experience across team members in raising finance. Their proposed equity structure is diversified and anticipated risk. The team demonstrated a clear understanding of the Measure M Expenditure Plan and associated funding constraints.

#### *Sepulveda Transit Corridor Partners – Bechtel*

Sepulveda Transit Corridor Partners - Bechtel (Bechtel) is a team comprised of Bechtel Development Company, Bechtel Infrastructure, Meridiam Sepulveda, LLC and American Triple I Partners, LLC. The Bechtel team proposed a heavy rail technology with 38% aerial and 62% tunnel alignment and unattended train operations. Their one-way trip time estimate from Valley to Westside is 19.7 minutes. Their financial proposal included a \$10.8 billion (capital expenses in 2020\$) TSC, with \$634 million in anticipated equity investment, and \$118 million per year in operating expenses (2035\$). Bechtel's proposal included well thought out stations siting, configuration and connections/transfers and stations were sized for some amount of growth in train consists. The team proposed a single-bore tunnel design to address significant challenges with tunneling and demonstrated a good

understanding of geo-technical issues. The proposal highlighted detailed plans to completing the PDA work, including consideration for third parties, FTA and the environmental process. During the interview, the Bechtel team demonstrated cohesion and coordination and their commitment to the Project. The financial proposal highlighted deep global financing experience across a range of project types and extensive experience with projects of similar size and complexity. The team's financial capacity appeared quite strong and they depicted an appropriate financial structure with a diversity of sources.

#### *Sepulveda Transit Corridor Partners - Fengate*

Sepulveda Transit Corridor Partners - Fengate (Fengate) is a team comprised of The Lane Construction Corporation, Webuild S.p.A., Hatch Associates Consultants, Inc., Fengate Capital Management Ltd., Globalvia Inversiones SAU, and Lane Infrastructure, Inc. The Fengate team proposed a light rail technology with 100% tunnel alignment and automatic train operations with a driver present. The team's one-way trip time estimate from Valley to Westside is 21 minutes. Their financial proposal included an \$11.5 billion (capital expenses in 2020\$) TSC, with \$198 million in anticipated equity investment, and \$97 million per year in operating expenses (2035\$). The technical proposal presented a strong and detailed TSC with well thought out station layouts with the customer experience and transfers in mind. The proposal included innovative ideas such as potential joint development opportunity as the maintenance facility and potential for a one-seat ride with East San Fernando Valley Line. Their risk management process had a high level of detail focused on identifying cost savings, reducing/mitigating risk and supporting P3 deal structuring.

#### *Tutor, Perini, Parsons & Plenary*

Tutor, Perini, Parsons & Plenary (TP3) is a team comprised of Tutor Perini Corporation, Parsons Construction, and Plenary Group. The TP3 team proposed a heavy rail technology with 39% aerial and 61% tunnel alignment and unattended train operations. Their one-way trip time estimate from Valley to Westside is 23 minutes. Their financial proposal included a \$7.2 billion (capital expenses in 2020\$) TSC, with \$574 million in anticipated equity investment, and \$128 million per year in operating expenses (2035\$). While the TP3 team's key personnel showed good experience in the written proposal, the team did not demonstrate cohesion or coordination during the interview. The team proposed good strategies for coordination with the environmental and outreach consultants. However, their proposal lacked detail in the TSC submittals. The technical proposal did not put forward a strong recommendation regarding alignment, vehicle type or maintenance storage facility location. TP3's financial proposal included reference projects that showed experience across transit projects and P3 projects. However, the financial proposal did not include the capital costs for the maintenance storage facility.

The following table summarizes the PET's ranking and scores.



1	Proposer/Mode	Maximum Points	Earned Points	Sub Total Points	Total Points	Rank
2	<b>LA SkyRail Express/ Monorail</b>					
3	Evaluation of Technical Proposal (630 points)					
4	<ul style="list-style-type: none"> <li>Qualifications and Experience to Support Project Development</li> </ul>	110	86.36			
5	<ul style="list-style-type: none"> <li>Approach to Completing PDA Work</li> </ul>	290	222.50			
6	<ul style="list-style-type: none"> <li>Quality of Proposer's Transit Solution Concept</li> </ul>	230	175.71			
7	<b>Total Technical Proposal</b>			<b>484.57</b>		
8	Evaluation of Financial Proposal (230 points)					
9	<ul style="list-style-type: none"> <li>Project Finance Experience, Investment Capacity, Project Delivery Plan and Financial Strength</li> </ul>	110	90.86			
10	<ul style="list-style-type: none"> <li>Quality of TSC Financial Feasibility Plan</li> </ul>	120	97.71			
11	<b>Total Financial Proposal</b>			<b>188.57</b>		
12	Evaluation of Price Proposal (130 points)					
13	<ul style="list-style-type: none"> <li>PDA Price</li> </ul>	100	100.00			
14	<ul style="list-style-type: none"> <li>Implementation Profit Margin</li> </ul>	30	26.67			
15	<b>Total Price Proposal</b>			<b>126.67</b>		
16	Evaluation of Approach to Diversity and Inclusion (40 points)					
17	<ul style="list-style-type: none"> <li>Inclusivity and Diversity</li> </ul>	40	40.00			
18	<b>Total Diversity and Inclusion</b>			<b>40.00</b>		
19	<b>Grand Total</b>	<b>1030</b>			<b>839.81</b>	<b>1</b>
20	<b>Sepulveda Transit Corridor Partners – Bechtel /Heavy Rail</b>					
21	Evaluation of Technical Proposal (630 points)					
22	<ul style="list-style-type: none"> <li>Qualifications and Experience to Support Project Development</li> </ul>	110	80.33			
23	<ul style="list-style-type: none"> <li>Approach to Completing PDA Work</li> </ul>	290	204.19			
24	<ul style="list-style-type: none"> <li>Quality of Proposer's Transit Solution Concept</li> </ul>	230	183.91			

<b>25</b>	<b>Total Technical Proposal</b>			<b>468.43</b>		
<b>26</b>	Evaluation of Financial Proposal (230 points)					
<b>27</b>	<ul style="list-style-type: none"> <li>Project Finance Experience, Investment Capacity, Project Delivery Plan and Financial Strength</li> </ul>	110	84.79			
<b>28</b>	<ul style="list-style-type: none"> <li>Quality of TSC Financial Feasibility Plan</li> </ul>	120	67.71			
<b>29</b>	<b>Total Financial Proposal</b>			<b>152.50</b>		
<b>30</b>	Evaluation of Price Proposal (130 points)					
<b>31</b>	<ul style="list-style-type: none"> <li>PDA Price</li> </ul>	100	91.02			
<b>32</b>	<ul style="list-style-type: none"> <li>Implementation Profit Margin</li> </ul>	30	30.00			
<b>33</b>	<b>Total Price Proposal</b>			<b>121.02</b>		
<b>34</b>	Evaluation of Approach to Diversity and Inclusion (40 points)					
<b>35</b>	<ul style="list-style-type: none"> <li>Inclusivity and Diversity</li> </ul>	<b>40</b>	30			
<b>36</b>	<b>Total Diversity and Inclusion</b>			<b>30.00</b>		
<b>37</b>	<b>Grand Total</b>	<b>1030</b>			<b>771.95</b>	<b>2</b>
<b>38</b>	<b>Tutor Perini, Parsons &amp; Plenary /Heavy Rail</b>					
<b>39</b>	Evaluation of Technical Proposal (630 points)					
<b>40</b>	<ul style="list-style-type: none"> <li>Qualifications and Experience to Support Project Development</li> </ul>	110	75.50			
<b>41</b>	<ul style="list-style-type: none"> <li>Approach to Completing PDA Work</li> </ul>	290	206.73			
<b>42</b>	<ul style="list-style-type: none"> <li>Quality of Proposer's Transit Solution Concept</li> </ul>	230	139.43			
<b>43</b>	<b>Total Technical Proposal</b>			<b>421.66</b>		
<b>44</b>	Evaluation of Financial Proposal (230 points)					
<b>45</b>	<ul style="list-style-type: none"> <li>Project Finance Experience, Investment Capacity, Project Delivery Plan and Financial Strength</li> </ul>	110	79.36			
<b>46</b>	<ul style="list-style-type: none"> <li>Quality of TSC Financial Feasibility Plan</li> </ul>	120	78.00			
<b>47</b>	<b>Total Financial Proposal</b>			<b>157.36</b>		
<b>48</b>	Evaluation of Price Proposal (130 points)					
<b>49</b>	<ul style="list-style-type: none"> <li>PDA Price</li> </ul>	100	88.96			
<b>50</b>	<ul style="list-style-type: none"> <li>Implementation Profit Margin</li> </ul>	30	30.00			

51	<b>Total Price Proposal</b>			<b>118.96</b>		
52	Evaluation of Approach to Diversity and Inclusion (40 points)					
53	• Inclusivity and Diversity	<b>40</b>	20			
54	<b>Total Diversity and Inclusion</b>			<b>20</b>		
55	<b>Grand Total</b>	<b>1030</b>			<b>717.98</b>	<b>3</b>
56	<b>Sepulveda Transit Corridor Partners – Fongate /Light Rail</b>					
57	Evaluation of Technical Proposal (630 points)					
58	• Qualifications and Experience to Support Project Development	110	85.93			
59	• Approach to Completing PDA Work	290	223.51			
60	• Quality of Proposer's Transit Solution Concept	230	174.21			
61	<b>Total Technical Proposal</b>			<b>483.65</b>		
62	Evaluation of Financial Proposal (230 points)					
63	• Project Finance Experience, Investment Capacity, Project Delivery Plan and Financial Strength	110	80.54			
64	• Quality of TSC Financial Feasibility Plan	120	74.57			
65	<b>Total Financial Proposal</b>			<b>155.11</b>		
66	Evaluation of Price Proposal (130 points)					
67	• PDA Price	100	0.00			
68	• Implementation Profit Margin	30	30.00			
69	<b>Total Price Proposal</b>			<b>30.00</b>		
70	Evaluation of Approach to Diversity and Inclusion (40 points)					
71	• Inclusivity and Diversity	<b>40</b>	35.00			
72	<b>Total Diversity and Inclusion</b>			<b>35.00</b>		
73	<b>Grand Total</b>	<b>1030</b>			<b>703.76</b>	<b>4</b>

### *Approach to Price Evaluation*

When considering pricing for PDA services, Metro's objective for this procurement was to contract with the highest quality PDA partner(s) to develop the project, while ensuring that the cost of the PDA work would remain reasonable and affordable. As

a result, Metro took an approach to the PDA Price Proposal evaluation that sought to balance affordability with the qualifications-based nature of the procurement.

Specifically, staff utilized a *tiered price formula* designed to encourage efficient pricing without putting a hard cap on price, which might unduly limit the level of effort required to support high-quality project development approaches. The tiering provides for an increasingly strong incentive to control price, as price increases. In other words, a proposer may risk an increasingly greater amount of points, the higher their proposed price.

The price formula identified in the RFP was based on two thresholds that were developed using Metro's Independent Cost Estimate: 1) a Price Target (\$72,000,000), within the range of Metro's *preferred* pricing, and 2) a Price Limit (\$104,000,000), representing the range of Metro's *acceptable* pricing. Pricing was then evaluated as follows:

- If a proposer submitted a price that was **below or equal to the Price Target**, the score would be calculated by dividing the *lowest proposed price* into the *price being evaluated*, multiplied by 100. This formula results in the *lowest proposed price* receiving all 100 available points, and each price *above* the low price (but *below* Metro's Price Target) receiving a reduction in points proportionate to how far *in excess of the lowest price* it was.
- If a proposer submitted a price that was **greater than the Price Target, but less than or equal to the Price Limit**, the score would be calculated on a sliding scale that was defined by the *highest* submitted price. The highest submitted price would receive 0 points, and each score *below* the high price would receive a score based on how far *below the highest price* it was.
- If a proposer submitted a price that was **greater than the Price Limit**, while the overall proposal would be considered responsive, the score would be calculated as zero (without regard to any other proposed prices). Metro also stipulated that it reserved the right to reject any proposal that was priced over the Price Limit, to ensure affordability could ultimately be achieved.

Fengate proposed the highest price of all proposing teams to perform the PDA services, exceeding the price target of \$72,000,000, as defined in the RFP. Because no other firm proposed a price above the Price Target, in accordance with the formula defined in the RFP, the team earned a score of 0 for the PDA Price evaluation criteria.

The two highest-ranked Proposers submitted the lowest price proposal in their respective technology.

### C. **Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate (ICE), adequate price competition, technical evaluation, fact finding, clarifications and negotiations.

	<b>Proposer Name/Mode</b>	<b>PDA Proposal Amount</b>	<b>Metro ICE</b>	<b>Award Amount</b>
1.	LA SkyRail Express/ Monorail	\$63,605,132	\$71,321,139 *	\$63,605,132
2.	Sepulveda Transit Corridor Partners (Bechtel)/ Heavy Rail	\$69,882,427	\$71,321,139 *	\$69,882,427
3.	Tutor Perini, Parsons & Plenary/ Heavy Rail	\$71,500,000		
4.	Sepulveda Transit Corridor Partners (Fengate)/ Light Rail	\$103,800,000		

\*Each contract.

#### **D. Background on Recommended Contractors**

LA SkyRail Express (LASRE) will serve as the Special Purpose Corporation (SPC) to be formed with John Laing Investments Limited and BYD Transit Solutions LLC identified as equity members. The SPC will be formally created prior to contract execution. LASRE has teamed up with Skanska USA Civil West California District Inc. as the lead construction contractor and HDR Engineering, Inc. as the lead engineering firm. Past projects for firms of this team include engineering on Eagle P3 Commuter Rail Line in Denver, construction on Expo Line light rail transit extension project, and financing on Denver Eagle P3, Hurontario Light Rail Transit in Ontario, Canada, and Sydney Light Rail in Australia.

Sepulveda Transit Corridor Partners - Bechtel (Bechtel) will serve as the Special Purpose Vehicle (SPV) to be formed with Bechtel Development Company, American Triple I Partners, LLC and Meridiam Sepulveda, LLC identified as equity members. The SPV will be formally created prior to contract execution. STCP Bechtel has teamed up with Bechtel Infrastructure as the lead construction contractor and lead engineering firm. Past projects for firms of this team include engineering and construction on Dulles Corridor Metrorail Project in Northern Virginia, and financing on Edmonton Valley Line light rail transit project in Alberta, Canada and LaGuardia Airport Central Terminal Redevelopment in New York.

DEOD SUMMARY

SEPULVEDA TRANSIT CORRIDOR PROJECT  
PRE-DEVELOPMENT SERVICES / PS66773MRT/PS66773HRT

**A. Small Business Participation**

The Diversity & Economic Opportunity Department (DEOD) established DBE goals for each Phase of this Pre-Development Agreement (PDA) services project. A 30% DBE goal was established for Phase 1 – Alternatives Refinement, a 25.00% DBE goal for Phase 2 – Conceptual Engineering and Analysis, a 23.50% DBE goal for Phase 3 – Conceptual Engineering to Support Locally Preferred Alternative Selection, and a 24.94% DBE goal for Phase 4 – Final Technical Concept.

Two (2) firms were selected as Prime Consultants: LA SkyRail Express (LASRE) (Monorail Technology) and Sepulveda Transit Corridor Partners – Bechtel (STCP-BECHTEL) (Heavy Rail Technology). Each firm committed to or exceeded the goals established for each Phase.

**PHASE 1:** LASRE exceeded the mandatory DBE goal by making a **30.02%** DBE commitment.

<b>Small Business Goal (Phase 1)</b>	<b>30% DBE</b>	<b>Small Business Commitment</b>	<b>30.02% DBE</b>
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	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Committed</b>
1.	Amheart Solutions	Asian Pacific American	1.82%
2.	D'Leon Consulting Engineers	Hispanic American	3.89%
3.	Destination Enterprises, Inc.	Non-Minority Female	0.94%
4.	Don H. Mahaffey Drilling Co.	Hispanic American Female	0.73%
5.	Earth Mechanics, Inc.	Asian Pacific American	2.01%
6.	FPL and Associates	Asian Pacific American	0.34%
7.	Gallego Consulting Services, Inc.	Hispanic American	0.57%
8.	Innova Technologies, Inc.	Hispanic American	6.82%
9.	JNA Builders, Inc.	Asian Pacific American	0.16%
10.	Lindborg & Mazor LLP	Non-Minority Female	0.50%

11.	LKG-CMC, Inc.	Non-Minority Female	1.09%
12.	Modern Times, Inc.	Hispanic American	2.98%
13.	Mountain Pacific, Inc.	Non-Minority Female	0.89%
14.	N. Saylor Consulting Group, Inc.	Non-Minority Female	0.33%
15.	Sapphos Environmental Inc.	Hispanic American Female	0.33%
16.	Sotomayor & Associates	Hispanic American	1.00%
17.	SXM Strategies, LLC	Asian Pacific American Female	0.35%
18.	T and T Public Relations	Hispanic American Female	1.17%
19.	TEC Management Consultants, Inc.	African American	0.70%
20.	The Wathen Group, LLC	Non-Minority Female	0.09%
21.	V&A, Inc.	Hispanic American	0.39%
22.	Virginkar & Associates	Asian Pacific American Female	2.92%
<b>Total DBE Commitment</b>			<b>30.02%</b>

**Phase 1:** STCP-BECHTEL exceeded the mandatory DBE goal by making a **30.18%** DBE commitment.

<b>Small Business Goal (Phase 1)</b>	<b>30% DBE</b>	<b>Small Business Commitment</b>	<b>30.18% DBE</b>
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	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Committed</b>
1.	360 Total Concept Consulting, Inc.	African American Female	4.61%
2.	A. Esteban & Company, Inc.	Hispanic American	0.35%
3.	A1 Management and Inspection, Inc.	Non-Minority Female	3.09%
4.	A3GEO, Inc.	Non-Minority Female	2.50%
5.	Anil Verma Associates, Inc.	Subcontinent Asian American	0.97%
6.	Auriga Corporation	Subcontinent Asian American	1.19%
7.	BA, Inc.	African American	1.33%
8.	Cheshil Consultants, Inc.	Subcontinent Asian American	1.22%

9.	D'Leon Consulting Engineers Corporation	Hispanic American	1.28%
10.	FMG Architects	Hispanic American Female	1.52%
11.	Here Design Studio, LLC	African American Female	0.86%
12.	Intueor Consulting, Inc.	Subcontinent Asian American	1.80%
13.	Jenkins/Gales & Martinez, Inc.	African American	1.61%
14.	JKH Consulting, LLC	African American Female	0.69%
15.	McLean and Schultz, Inc.	Hispanic American	2.11%
16.	PacRim Engineering	Asian Pacific American	1.00%
17.	Unico Engineering, Inc.	Hispanic American	0.05%
18.	Virginkar & Associates, Inc.	Asian Pacific American Female	1.00%
19.	VN Tunnel and Underground, Inc.	Asian Pacific American	2.59%
20.	Vobecky Enterprises, Inc.	African American Female	0.41%
<b>Total DBE Commitment</b>			<b>30.18%</b>

**PHASE 2:** LASRE exceeded the mandatory DBE goal by making a **28.26%** DBE commitment.

<b>Small Business Goal (Phase 2)</b>	<b>25% DBE</b>	<b>Small Business Commitment</b>	<b>28.26% DBE</b>
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	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Committed</b>
1.	Amheart Solutions	Asian Pacific American	0.61%
2.	Auriga Corporation	Subcontinent Asian American	0.85%
3.	BA, Inc.	African American	0.96%
4.	Coast Surveying	Hispanic American	0.23%
5.	D'Leon Consulting Engineers	Hispanic American	1.25%
6.	Destination Enterprises, Inc.	Non-Minority Female	0.78%
7.	Don H. Mahaffey Drilling Co.	Hispanic American Female	0.51%
8.	Earth Mechanics, Inc.	Asian Pacific American	0.62%



9.	FPL and Associates	Asian Pacific American	0.33%
10.	Gallego Consulting Services, Inc.	Hispanic American	0.44%
11.	Hinman Consulting Engineers, Inc..	Non-Minority Female	2.19%
12.	IDC Consulting Engineers, Inc.	Asian Pacific American Female	1.09%
13.	Innova Technologies, Inc.	Hispanic American	5.20%
14.	Intueor Consulting, Inc.	Subcontinent Asian American	0.54%
15.	JNA Builders, Inc.	Asian Pacific American	0.13%
16.	Lindborg & Mazor LLP	Non-Minority Female	0.38%
17.	LKG-CMC, Inc.	Non-Minority Female	1.25%
18.	Modern Times, Inc.	Hispanic American	0.56%
19.	Morgner Construction Management	Hispanic American Female	0.58%
20.	Mountain Pacific, Inc.	Non-Minority Female	0.42%
21.	N. Saylor Consulting Group, Inc.	Non-Minority Female	0.10%
22.	PBS Engineers, Inc.	Subcontinent Asian American	2.89%
23.	RAW International, Inc.	African American	0.79%
24.	Sapphos Environmental Inc.	Hispanic American Female	0.11%
25.	Sotomayor & Associates	Hispanic American	0.14%
26.	SXM Strategies, LLC	Asian Pacific American Female	0.64%
27.	T and T Public Relations	Hispanic American Female	0.70%
28.	TEC Management Consultants, Inc.	African American	0.53%
29.	The Wathen Group, LLC	Non-Minority Female	0.62%
30.	TransSolutions	Non-Minority Female	0.16%
31.	V&A, Inc.	Hispanic American	1.30%
32.	Virginkar & Associates	Asian Pacific American Female	0.43%
33.	YKD Landscape (Yunsoo Kim Design, Inc.)	Asian Pacific American	0.93%
<b>Total DBE Commitment</b>			<b>28.26%</b>

**Phase 2:** STCP-BECHTEL exceeded the mandatory DBE goal by making a **25.79%** DBE commitment.

<b>Small Business Goal (Phase 2)</b>	<b>25% DBE</b>	<b>Small Business Commitment</b>	<b>25.79% DBE</b>
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	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Committed</b>
1.	360 Total Concept Consulting, Inc.	African American Female	1.30%
2.	A. Esteban & Company, Inc.	Hispanic American	0.20%
3.	A1 Management and Inspection, Inc.	Non-Minority Female	0.49%
4.	A3GEO, Inc.	Non-Minority Female	1.29%
5.	Alliance Engineering Consultants, Inc.	Asian Pacific American	0.37%
6.	Anil Verma Associates, Inc.	Subcontinent Asian American	0.36%
7.	Auriga Corporation	Subcontinent Asian American	1.04%
8.	BA, Inc.	African American	0.36%
9.	Cheshil Consultants, Inc.	Subcontinent Asian American	0.89%
10.	Diaz Yourman & Associates	Hispanic American	0.22%
11.	D'Leon Consulting Engineers Corporation	Hispanic American	1.65%
12.	EW Consulting, Inc.	Non-Minority Female	0.60%
13.	FMG Architects	Hispanic American Female	0.36%
14.	FPL and Associates	Asian Pacific American	1.10%
15.	Here Design Studio, LLC	African American Female	0.88%
16.	Intueor Consulting, Inc.	Subcontinent Asian American	0.82%
17.	Jenkins/Gales & Martinez, Inc.	African American	0.36%
18.	JKH Consulting, LLC	African American Female	0.29%

19.	McLean and Schultz, Inc.	Hispanic American	1.44%
20.	Monument ROW, Inc.	Non-Minority Female	0.62%
21.	PacRim Engineering	Asian Pacific American	1.79%
22.	Unico Engineering, Inc.	Hispanic American	0.84%
23.	V&A, Inc.	Hispanic American	0.65%
24.	Virginkar & Associates, Inc.	Asian Pacific American Female	1.25%
25.	VN Tunnel and Underground, Inc.	Asian Pacific American	2.88%
26.	Wagner Engineering & Survey, Inc.	Non-Minority Female	3.50%
27.	Yunsoo Kim Design	Asian Pacific American	0.24%
<b>Total DBE Commitment</b>			<b>25.79%</b>

**PHASE 3:** LASRE exceeded the mandatory DBE goal by making a **25.87%** DBE commitment.

<b>Small Business Goal (Phase 3)</b>	<b>23.50% DBE</b>	<b>Small Business Comittment</b>	<b>25.87% DBE</b>
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	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Committed</b>
1.	Amheart Solutions	Asian Pacific American	0.79%
2.	Auriga Corporation	Subcontinent Asian American	0.74%
3.	Coast Surveying	Hispanic American	0.28%
4.	D'Leon Consulting Engineers	Hispanic American	0.39%
5.	Destination Enterprises, Inc.	Non-Minority Female	1.28%
6.	Don H. Mahaffey Drilling Co.	Hispanic American Female	0.59%
7.	Earth Mechanics, Inc.	Asian Pacific American	0.22%
8.	FPL and Associates	Asian Pacific American	0.75%
9.	Gallego Consulting Services, Inc.	Hispanic American	0.54%

10.	Hinman Consulting Engineers, Inc..	Non-Minority Female	0.66%
11.	IDC Consulting Engineers, Inc.	Asian Pacific American Female	0.54%
12.	Innova Technologies, Inc.	Hispanic American	5.95%
13.	JNA Builders, Inc.	Asian Pacific American	0.20%
14.	Lindborg & Mazor LLP	Non-Minority Female	0.38%
15.	LKG-CMC, Inc.	Non-Minority Female	0.95%
16.	Modern Times, Inc.	Hispanic American	0.81%
17.	Mountain Pacific, Inc.	Non-Minority Female	0.75%
18.	N. Saylor Consulting Group, Inc.	Non-Minority Female	0.11%
19.	PBS Engineers, Inc.	Subcontinent Asian American	2.33%
20.	Regency Right of Way Consulting, LLC	African American Female	0.32%
21.	Sapphos Environmental Inc.	Hispanic American Female	0.12%
22.	Sotomayor & Associates	Hispanic American	0.22%
23.	SXM Strategies, LLC	Asian Pacific American Female	0.72%
24.	T and T Public Relations	Hispanic American Female	0.74%
25.	TEC Management Consultants, Inc.	African American	0.75%
26.	The Wathen Group, LLC	Non-Minority Female	0.83%
27.	TransSolutions	Non-Minority Female	0.18%
28.	V&A, Inc.	Hispanic American	1.25%
29.	Virginkar & Associates	Asian Pacific American Female	1.49%
30.	YKD Landscape (Yunsoo Kim Design, Inc.)	Asian Pacific American	0.99%
<b>Total DBE Commitment</b>			<b>25.87%</b>

**Phase 3:** STCP-BECHTEL exceeded the mandatory DBE goal by making a **23.71%** DBE commitment.

<b>Small Business Goal (Phase 3)</b>	<b>23.50% DBE</b>	<b>Small Business Commitment</b>	<b>23.71% DBE</b>
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	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Committed</b>
1.	360 Total Concept Consulting, Inc.	African American Female	1.64%
2.	A. Esteban & Company, Inc.	Hispanic American	0.88%
3.	A1 Management and Inspection, Inc.	Non-Minority Female	1.67%
4.	A3GEO, Inc.	Non-Minority Female	0.88%
5.	Alliance Engineering Consultants, Inc.	Asian Pacific American	0.43%
6.	Anil Verma Associates, Inc.	Subcontinent Asian American	0.77%
7.	Auriga Corporation	Subcontinent Asian American	1.33%
8.	BA, Inc.	African American	0.63%
9.	Cheshil Consultants, Inc.	Subcontinent Asian American	1.21%
10.	Diaz Yourman & Associates	Hispanic American	1.05%
11.	D'Leon Consulting Engineers Corporation	Hispanic American	2.62%
12.	EW Consulting, Inc.	Non-Minority Female	0.47%
13.	FMG Architects	Hispanic American Female	0.77%
14.	FPL and Associates	Asian Pacific American	0.79%
15.	Here Design Studio, LLC	African American Female	0.08%
16.	Intueor Consulting, Inc.	Subcontinent Asian American	0.69%
17.	Jenkins/Gales & Martinez, Inc.	African American	0.42%
18.	JKH Consulting, LLC	African American Female	0.16%
19.	McLean and Schultz, Inc.	Hispanic American	0.98%

20.	Monument ROW, Inc.	Non-Minority Female	0.28%
21.	PacRim Engineering	Asian Pacific American	1.51%
22.	Unico Engineering, Inc.	Hispanic American	0.52%
23.	V&A, Inc.	Hispanic American	0.63%
24.	Virginkar & Associates, Inc.	Asian Pacific American Female	0.80%
25.	VN Tunnel and Underground, Inc.	Asian Pacific American	1.68%
26.	Wagner Engineering & Survey, Inc.	Non-Minority Female	0.56%
27.	Yunsoo Kim Design	Asian Pacific American	0.26%
<b>Total DBE Commitment</b>			<b>23.71%</b>

To be responsive, Proposers were required to commit to meet or exceed the DBE goal for Phase 4 at the time of Proposal submittal. During Phase 3, the Prime Contractor will be required to submit a list of all DBE and non-DBE firms that will perform work in Phase 4.

**PHASE 4:** LASRE met the mandatory DBE goal by making a **24.94%** DBE commitment.

<b>Small Business Goal (Phase 4)</b>	<b>24.94% DBE</b>	<b>Small Business Commitment</b>	<b>24.94% DBE</b>
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	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Committed</b>
1.	To Be Determined during Phase 3	TBD	24.94%
<b>Total DBE Commitment</b>			<b>24.94%</b>

**Phase 4:** STCP-BECHTEL met the mandatory DBE goal by making a **24.94%** DBE commitment.

<b>Small Business Goal (Phase 4)</b>	<b>24.94% DBE</b>	<b>Small Business Commitment</b>	<b>24.94% DBE</b>
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	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Committed</b>
1.	To Be Determined during Phase 3	TBD	24.94%
<b>Total DBE Commitment</b>			<b>24.94%</b>

**B. Contracting Outreach and Mentoring Plan (COMP)**

To be responsive, Proposers were required to submit a Contracting Outreach and Mentoring Plan (COMP) including strategies to mentor for protégé development four (4) DBE firms for Mentor-Protégé development in at least two of Phases 1 – 3.

LASRE proposed to mentor the following (4) protégé's: Coast Surveying, Inc., IDC Consulting, Inc., Auriga Corporation, and RAW International. STCP-BECHTEL proposed to mentor the following (4) protégé's: FMG Architects, 360 Total Concept Consulting, A1 Management and Inspection, and A3GEO Inc.

For Phase 4, the Prime Contractor is required to mentor a total of two (2) DBE firms for Protégé development. The Prime Contractor must identify Proteges for Phase 4 during Phase 3. The two DBE firms mentored during Phase 4 shall not be firms that were mentored in Phases 1-3.

**C. Living Wage and Service Contract Worker Retention Policy Applicability**

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

**D. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

**E. 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.



# Next stop: exploring alternatives to the 405.

## SEPULVEDA TRANSIT CORRIDOR PROJECT

RFP No. PS66773 Sepulveda Transit Corridor  
Pre-Development Agreement (PDA)  
Recommendation for Awards



Metro®

March 2021



# Recommendation

- > **AUTHORIZING the Chief Executive Officer (CEO) to award the following two (2) Contracts, subject to resolution of protests, if any.**
  - > Contract No. PS66773MRT to LA SkyRail Express for pre-development services for a proposed Monorail technology transit solution concept in an amount not to exceed \$63,605,132.
  - > Contract No. PS66773HRT to Sepulveda Transit Corridor Partners -Bechtel for pre-development services for a proposed Heavy Rail technology transit solution concept in an amount not to exceed \$69,882,427.
- > **APPROVE Contract Modification Authority in the amount of 25% for each of the two contract award values, respectively, and authorize the CEO to execute individual Contract Modifications within the Board-approved Contract Modification Authority.**

# PDA Procurement Review

## What staff are recommending today:

- > PDA Teams with qualifications and experience aligned with their proposed project design and development approach and project implementation capabilities
- > Transit concept as starting point for development (PDA) work that meets/exceeds Project Goals and adheres to specified Project Parameters
- > Evaluation considered quality of concept, quality of approach, development experience, delivery experience, price components, diversity/inclusion

## Award of PDA Contract(s) will allow environmental process to begin

- > Previous Board award of environmental contract and communications contract
- > Once environmental process begins, concept designs for range of alternatives will be advanced/refined through public feedback and technical investigation/analysis
- > Additional concepts to make connections to important destinations (such as UCLA) may also be explored during the PDA and environmental processes



# Evaluation Criteria

## > **Technical – 630 points**

- Qualifications and experience to support project development (110 points)
- Approach to completing PDA work (290 points)
- Quality of Proposer's Transit Solution Concept (TSC) (230 points)

## > **Financial – 230 points**

- Project finance experience, investment capacity, project delivery plan and financial strength (110 points)
- Quality of TSC Financial Feasibility Plan (120 points)

## > **PDA Price – 130 points**

- PDA price (100 points)
- Implementation profit margin (30 points)

## > **Inclusivity and Diversity – 40 points**

- Contractor Outreach Mentor Protégé Plan (40 points)

# Final Evaluation Scores

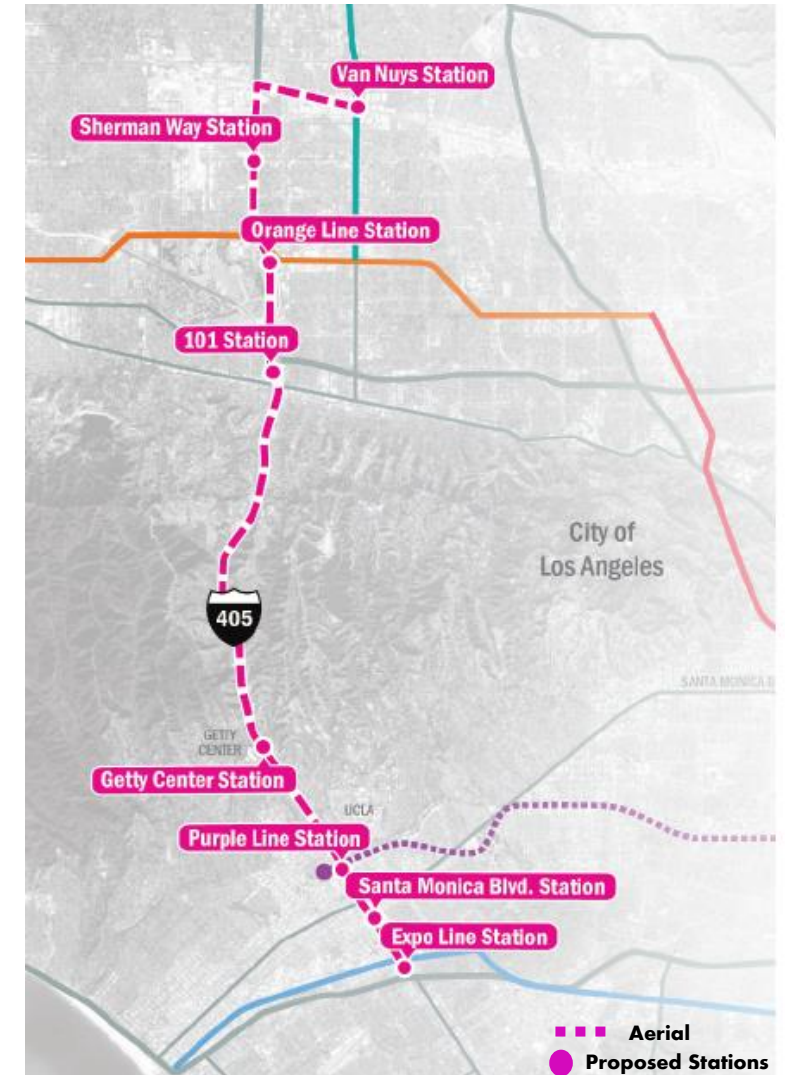
Proposer/Mode	Technical (630 points) Financial (230 points) (860 points)	PDA Price (100 points)	Implementation Profit Margin (30 points)	Inclusion and Diversity (40 points)	Grand Total (1030 points)
LA SkyRail Express / MRT	673.14	100.00	26.67	40.00	839.81
STCP Bechtel / HRT	620.93	91.02	30.00	30.00	771.95
Tutor Perini, Parsons & Plenary / HRT	579.02	88.96	30.00	20.00	717.98
STCP Fengate / LRT	638.76	0.00	30.00	35.00	703.76



# Recommended Proposer – LA SkyRail Express

## Proposal Highlights

- > Mode: Monorail
- > 100% Aerial Alignment (I-405 ROW)
- > Automated Operations
- > Valley to Westside Trip Time: 24 minutes
- > \$6.1 billion (2020\$) Capital Cost (for Baseline proposal)
- > ~\$63m/yr Operating Expenses (2035\$)
- > Team with direct experience with this technology
- > Early consideration of O&M requirements to minimize lifecycle costs
- > Demonstrated financial experience on P3 projects in the US and abroad

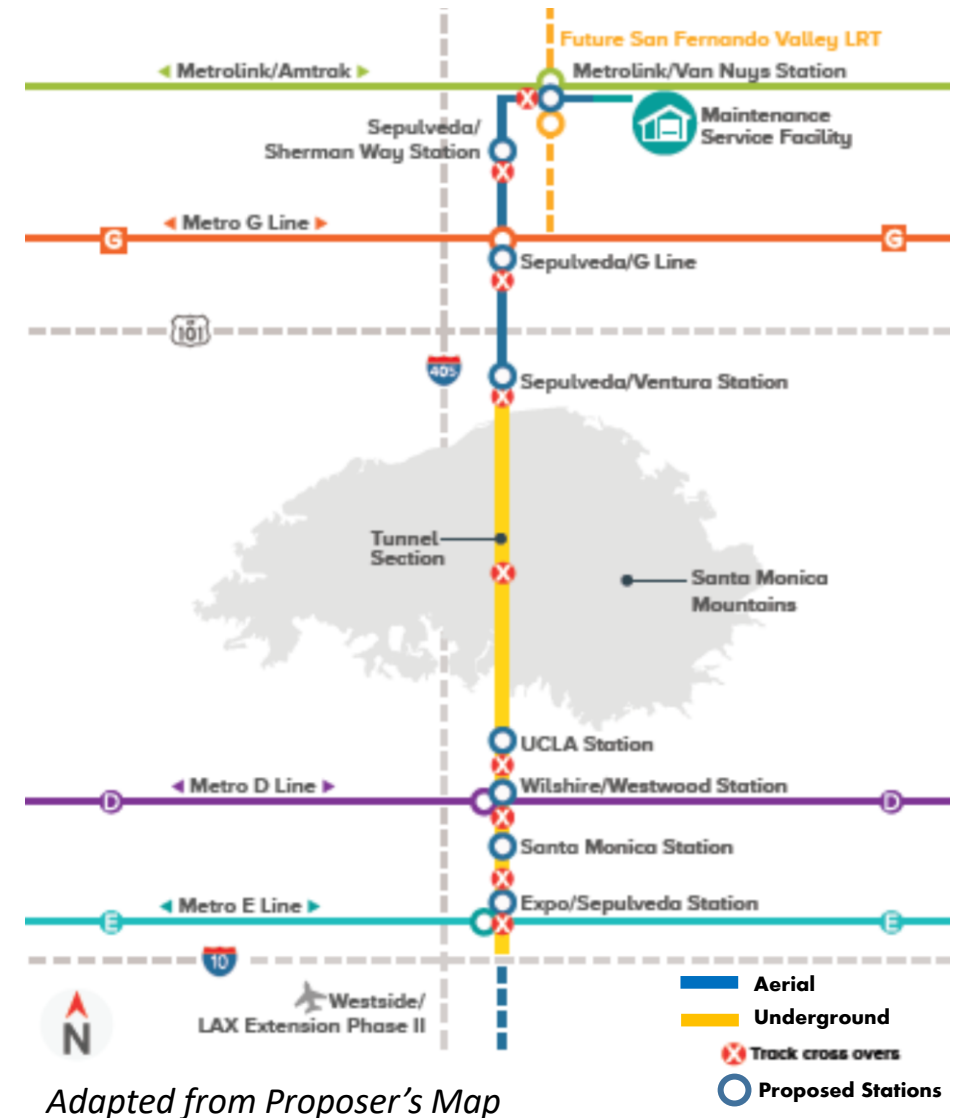


Adapted from Proposer's Map

# Recommended Proposer – Sepulveda Transit Corridor Partners (Bechtel)

## Proposal Highlights

- > Mode: Heavy Rail
- > 62% of Alignment is Underground/Tunnel
- > Automated Operations
- > Valley to Westside Trip Time: 19.7 minutes
- > \$10.8 billion (2020\$) Capital Cost
- > ~\$118m/yr Operating Expenses (2035\$)
- > Detailed stations plans, connections/transfers, and integration with the surroundings
- > Good understanding of geo-technical issues; well-defined construction approach
- > Demonstrated financial experience across a range of project types of similar complexity



Adapted from Proposer's Map

# PDA Structure: Phases of Work

Phase	PDA Activities	Number of PDA Developers	Duration Months*
Alternatives Definition	Refine alternatives and incorporate stakeholder feedback	Up to 2	9
Conceptual Engineering and Analysis	Conceptual engineering and analysis of environmental impacts, performance, constructability, cost, and risk for DEIR	Up to 2	13
Conceptual Engineering to support LPA	Develop indicative performance and cost reports to finalize DEIR and LPA Selection	Up to 2	9
Final Technical Concept	Refine engineering for FEIR, performance analysis, contract terms and conditions, risk allocation, and pricing	1	11
Proposal for Implementation	Finalize FEIR; Issue Metro Request for presumed fixed-price P3 delivery proposal; Evaluate Proposal and close transaction	1	10

*\*subject to change*



# PDA Price by Phase

		PDA Price by Phase		Number of PDA Developers
		<b>LASRE</b>	<b>STCP - Bechtel</b>	
<b>Phase 1</b>	Alternatives Refinement	\$6,445,812	\$6,500,000	Up to 2
<b>Phase 2</b>	Conceptual Engineering & Analysis	\$20,869,629	\$22,494,822	Up to 2
<b>Phase 3</b>	Conceptual Engineering to Support LPA Selection	\$9,784,655	\$9,452,860	Up to 2
<b>Phase 4</b>	Final Technical Concept	\$26,505,036	\$31,434,745	1
<b>Phase 5</b>	Project Implementation Proposal	\$0	\$0	1
	<b>Total</b>	<b>\$63,605,132</b>	<b>\$69,882,427</b>	



# Public Feedback and Next Steps

## Public interest in project remains high

- > 12,000 stakeholders in project database
- > Press release and Source post generated media coverage in multiple publications

## Comments received since February 2021 are a mix of support and concerns for elements of both proposals

- > Feedback consistent with input received during the Feasibility Study
- > Stakeholders generally understand PDA contract awards are the starting point of next phase

## Next steps

- > The range of alternatives for environmental review will be presented to the Board in April 2021
- > Prepare for environmental review process and Fall 2021 public scoping period
- > PDA Teams continue to further develop their proposed concepts, which are refined through the environmental process



# Thank You

## QUESTIONS?