



Board Report

File #: 2022-0438, File Type: Contract

Agenda Number: 25.

**REVISED
CONSTRUCTION COMMITTEE
AUGUST 18, 2022**

**SUBJECT: EAST SAN FERNANDO VALLEY LIGHT RAIL TRANSIT PROJECT -
CONSTRUCTION SUPPORT SERVICES CONTRACT**

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to award and execute a seven-year contract ending in September 2029, for Contract No. AE82218, with Arcadis Mott MacDonald (AMM) ESFV LRT JV on a Cost Reimbursable Plus Fixed-Fee basis to provide Construction Management Support Services (CMSS) for the East San Fernando Valley (ESFV) Light Rail Transit Project (Project), for an amount of \$65,606,451, subject to the resolution of any timely protest; and
- B. ESTABLISHING Contract Modification Authority (CMA) for \$6,560,645 (10%) of the not-to-exceed contract award value and authorizing the CEO to execute individual Contract Modifications within the CMA and within the project budget authorization.

ISSUE

A CMSS is required to provide constructability review, design review support, inspection, estimating, and construction and administration support of the Project to ensure the Project is completed in compliance with contract requirements and applicable government regulations. The CMSS will also provide support for final design, pre-construction activities, administration, pre-revenue service, and contract close-out.

BACKGROUND

The Project is a light rail system that will extend north from the Van Nuys Metro G-Line station to the Sylmar/San Fernando Metrolink Station, a total of 9.2 miles with 14 at-grade stations. The Metro Board certified the Final Environmental Impact Report on December 3, 2020. The Project achieved Record of Decision on January 29, 2021. The Initial Operating Segment (IOS) is street running in the middle of Van Nuys Boulevard and includes 11 at-grade stations along with the Maintenance and

Storage Facility (MSF). The remaining northern 2.5-mile environmentally cleared segment is going through additional analysis as directed by the Board in December 2020 and is not included in the IOS.

The Project is currently finalizing the preliminary engineering design, with street improvements and guideway design advanced to 60 percent complete and all other design elements (stations, MSF, and systems) to 30 percent complete. Final design for select advanced utility relocations is also being advanced. The MSF is comprised of approximately 21 acres and includes several maintenance buildings where Metro will implement a solar photovoltaic (PV) power system via a Public/Private Partnership (P3).

As the IOS has been cleared and the design has advanced, the IOS portion of the Project is proceeding into the next phase of final design and construction. The IOS procurement process for a Progressive Design Build (PDB) Contractor began in July 2022. The CMSS services requested in this item will support execution of the PDB contract once it is awarded in early 2023.

Project Delivery Method

The Project Delivery Method for the ESFV light rail construction Project will be PDB, a delivery method that was approved by the Board in October 2021 and will be supported by this CMSS contract. The PDB delivery method has been determined by staff to be the best delivery alternative for the Project, primarily because it is a partnership-based model that will allow Metro and the PDB team to collaborate early, progressively build up the final design of the project, and transparently negotiate the price in an open-books fashion at specific intervals of the design process until a Guaranteed Maximum Price is reached and agreed to. This method will allow Metro to leverage private sector innovation and expertise to identify efficiencies and cost saving opportunities during the next stage of design development. The CMSS consultant is a critical component of the PDB process, as the CMSS team will be providing qualified staff to assist in the PDB process including estimators, construction managers, resident engineers, and professionals experienced in alternative project delivery.

The CMSS consultant will also support the proposed P3 contract for the solar PV system at the MSF, as well as stand-alone utility relocation projects performed by third-party agencies or separate contractors.

DISCUSSION

Arcadis Mott MacDonald (AMM) ESFV LRT JV, has been selected for recommendation following a competitive procurement process to provide the CMSS in support of the Project. The scope of services includes administration, inspection services, estimating, and technical support during advanced utility relocations, final design, construction, pre-revenue operations, and closeout phases of the Project. The primary role of the CMSS consultant is to provide highly skilled and qualified individuals to support and assist Metro with construction management of the Project by becoming part of a fully integrated construction management team residing in the project field

office, under the direction of Metro Project Management. Staff augmentation by the CMSS consultant is necessary to efficiently provide resources and technical expertise that will vary throughout each phase of the Project.

The term of the contract is to support the completion of the PDB and Solar P3 contracts through construction of the projects all the way through the contract closeout process.

DETERMINATION OF SAFETY IMPACT

This Board action will have no adverse impacts on safety standards for Metro. The CMSS contract will provide services that support Metro's internal safety staff on the Project. The contract provisions require CMSS consultant's team members to follow the direction of the Metro construction safety policies and procedures to ensure that safety is the highest priority during oversight of all phases of construction.

FINANCIAL IMPACT

This Project is funded on a fiscal year basis under Project number 865521 East San Fernando Valley Transit Corridor, cost center 8510, under various accounts including Professional/Technical Services and \$248,236,500 is included in the FY23 Adopted Budget. This is a multi-year project requiring expenditure authorizations in fiscal year increments until a Board Authorized Life of Project Budget is adopted. 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 budget limit for the affected fiscal year.

Impact to Budget

Sources of funds for the recommended actions are a federal grant from the Federal Transit Administration (FTA) Expedited Project Delivery (EPD) Pilot Program, State Grants and Measure M 35%. These funds are not eligible for bus and rail operations.

EQUITY PLATFORM

The Project study area's average transit-dependent population of 7.04 persons per acre is more than 100 percent higher than the 3.21 County average. The Project will provide new reliable service and/or infrastructure that improves passenger mobility and enhances transit accessibility/connectivity for residents within the Project study area to local and regional destinations and activity centers. This contract will facilitate Project construction and the Progressive Design/Build delivery method is not anticipated to have any adverse impacts to engagement or mitigation opportunities for the surrounding communities.

To ensure maximum opportunity for participation on this contract, Metro staff performed extensive outreach to the small business community, including those within the Disadvantaged Veterans Business Enterprise and the Small Business Enterprise programs. The solicitation was advertised through periodicals of general circulation, posted on Metro's Vendor Portal, and an e-mail notice to small businesses with applicable NAICS codes. The Proposal Evaluation Team was comprised of department personnel that were both race and gender diverse. The selected firm committed to achieving a Disadvantaged Business Enterprise (DBE) goal of 30.05% through 9 identified subcontractors. This commitment exceeds the DEOD recommended goal of 28%.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Project supports the following strategic goals:

Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The purpose of the Project is to provide a high-capacity transit service in the San Fernando Valley.

Strategic Goal 2: Deliver outstanding trip experiences for all users of the transportation system. The at-grade light rail system will attract bus ridership and improve the trip experience for users of the transportation system.

Strategic Goal 3: Enhance communities and lives through mobility and access to opportunity. With 11 stations, including connections to Metro G-Line and Metrolink, the ESFV enhances mobility to the community

Strategic Goal 4: Transform LA County through regional collaboration and national leadership. Collaboration with the elected officials, citizens, and Metro patrons of San Fernando Valley continues to positively impact the Project.

ALTERNATIVES CONSIDERED

The Board could direct Metro staff to perform construction support tasks with current in-house resources. However, this alternative is not recommended or feasible, as Metro does not currently have available in-house resources with expertise in the negotiation, estimation, and delivery of alternative delivery contracts such as Progressive Design-Build. The FY23 budget does include several new positions in Program Management for this project; however, these positions are primarily for Project Management, Program Controls, and Engineering and the CMSS is still required. Program Management will continue to manage the consultant/staff balance as we continue to on-board new staff and Metro full-time equivalents.

NEXT STEPS

After the recommended Board actions are approved, staff will complete the process to award Contract No. AE82218.

ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by::

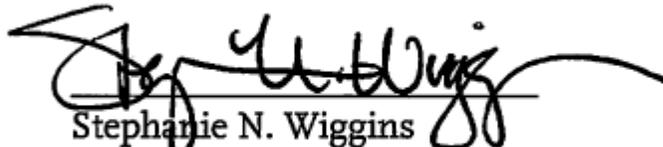
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Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

**CONSTRUCTION MANAGEMENT SUPPORT SERVICES CONSULTANT (CMSSC)
FOR EAST SAN FERNANDO VALLEY (ESFV) LIGHT RAIL TRANSIT PROJECT
CONTRACT NO. AE82218**

1.	Contract Number: AE82218	
2.	Recommended Vendor: ARCADIS MOTT MACDONALD (AMM) ESFV LRT JV	
3.	Type of Procurement (check one) : <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input checked="" type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued November 17, 2021	
	B. Advertised/Publicized: November 22, 2022 (Periodicals of General Circulation)	
	C. Pre-Proposal Conference: November 30, 2021	
	D. Proposals Due: February 10, 2022	
	E. Pre-Qualification Completed: July 1, 2022	
	F. Organizational Conflict of Interest Review Completed by Ethics: June 23, 2022	
	G. Protest Period End Date: Est. August 20, 2022	
5.	Solicitations Picked up/Downloaded: 165	Proposals Received: 4
6.	Contract Administrator: Robert Romanowski	Telephone Number: 213.922.2633
7.	Project Manager: Monica Born	Telephone Number: 562.524.0597

A. Procurement Background

This Board Action is to approve the award of Contract RFP No. AE82218 to provide construction management support services to Metro, to manage the construction contracts for the ESFV LRT including AUR (Advanced Utility Relocation) D/B/B Contract and Progressive-Design Build Construction Contract for the East San Fernando Valley (ESFV) LRT Project.

Board approval of contract awards are subject to resolution of any properly submitted protest.

The Request for Proposals (RFP) was an Architectural and Engineering (A & E) services, qualifications-based procurement process performed in accordance with Los Angeles County Metropolitan Transportation Authority (Metro) Procurement Policies and Procedures and California Government Code §4525-45429.5. The contract type is a Cost Plus Fixed Fee (CPFF) type contract for a term of seven (7) years with no options. A virtual pre-proposal conference was held on November 30, 2021, in accordance with the California Governor's Executive Order N-33-20 related to Covid-19. One Hundred Sixty-Five (165) individuals from various firms downloaded the RFP Package.

Four (4) Amendments were issued during the Solicitation phase of this RFP:

- Amendment No. 1, issued on December 16, 2021, to extend the Proposal Due Date.
- Amendment No. 2, issued on December 22, 2021, to correct DBE Goal Language in the LOI and in the DEOD Instructions to Proposers, delete requirement for Contractor Outreach Mentoring Plan (COMP); and clarify which Volume of the Proposal shall contain certain required Exhibits
- Amendment No. 3, issued on January 20, 2022, to Extend the Proposal Due Date and issue Metro’s Staffing Plan of 155.3 FTEs for the Key and Required Personnel for Proposers’ use in submitting VOLUME III – Cost and Fee Proposal.
- Amendment No. 4, issued on January 28, 2022, to extend the Proposal Due Date one final time to February 10, 2022.

A total of four (4) proposals were received on February 10, 2022, from the following firms, in alphabetical order:

1. ARCADIS MOTT MACDONALD (AMM) ESFV LRT JV
2. JOINT VENTURE OF DESTINATION ENTERPRISES, MACE GROUP, AND COMTECH GROUP (DMC-JV)
3. KLEINFELDER, INC.
4. PGH WONG ENGINEERING, INC.

All four (4) of the Proposals were responsive to the requirements of the RFP Documents, including all four (4) amendments.

B. Evaluation of Proposals

The Proposal Evaluation Team (PET) was comprised of representatives from the following departments: Countywide Planning, Finance & Budget, and Program Management Department. The PET conducted a comprehensive evaluation of the proposals received.

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

- Experience and Capabilities of the Firms on the Proposer’s Team (15%)
- Personnel’s Skills and Experience (30%)
- Approach to Team Management (20%)
- Approach to Implementation (35%)

Total 100%

The evaluation criteria are appropriate and consistent with criteria developed for other similar A & E procurements. Several factors were considered when

developing the weightings, giving the greatest importance to the Personnel's Skills and Experience and Approach to Implementation.

This is an A & E qualification-based procurement; therefore, price cannot and was not used as an evaluation factor pursuant to state and federal law.

Qualifications Summary of Recommended Consultant:

The evaluation performed by the PET determined, in accordance with the evaluation criteria established in the RFP, that the proposal from ARCADIS MOTT MACDONALD (AMM) ESFV LRT JV demonstrated outstanding competence and professional qualifications for the best performance of the services required and is determined to be the most qualified proposer. What distinguished ARCADIS MOTT MACDONALD (AMM) ESFV LRT JV was the demonstrated extensive technical expertise of the proposed Key Personnel and Required Personnel's Skills and Experience to perform Construction Management Support Services, that it is well versed in providing the Scope of Services related to this contract, and has the capabilities to provide staffing for the type of work that exceed what is required under this contract.

Furthermore, ARCADIS MOTT MACDONALD (AMM) ESFV LRT JV demonstrated an Approach to Implementation that indicates an exceptional, thorough, and comprehensive understanding of the Project goals, resources, and schedules essential to the performance of the Contract to accomplish the Scope of Services as reflected in the weighted criteria.

The scoring was based on evaluation of the written proposals received from the Proposers and Oral Presentations. All four Proposers participated in Oral Presentations to the PET on May 13, 2022. The results of the final scoring are shown below, in rank order:

Firm	Average Score	Factor Weight	Weighted Average Score	Rank
ARCADIS MOTT MACDONALD (AMM) ESFV LRT JV				
Experience and Capabilities of the Firms on the Proposer's Team	90.40	15%	13.56	
Personnel's Skills and Experience	90.17	30%	27.05	
Approach to Team Management	90.80	20%	18.16	
Approach to Implementation	92.20	35%	32.27	
Total		100.00%	91.04	1

PGH WONG ENGINEERING, INC.				
Experience and Capabilities of the Firms on the Proposer's Team	88.60	15%	13.29	
Personnel's Skills and Experience	86.20	30%	25.86	
Approach to Team Management	86.30	20%	17.26	
Approach to Implementation	89.40	35%	31.29	
Total		100.00%	87.70	2
KLEINFELDER, INC.				
Experience and Capabilities of the Firms on the Proposer's Team	82.80	15%	12.42	
Personnel's Skills and Experience	81.53	30%	24.46	
Approach to Team Management	79.10	20%	15.82	
Approach to Implementation	88.14	35%	30.85	
Total		100.00%	83.55	3
JOINT VENTURE OF DESTINATION ENTERPRISES, MACE GROUP, AND COMTECH GROUP (DMC-JV)				
Experience and Capabilities of the Firms on the Proposer's Team	79.00	15%	11.85	
Personnel's Skills and Experience	80.67	30%	24.20	
Approach to Team Management	80.20	20%	16.04	
Approach to Implementation	80.48	35%	28.17	
Total		100.00%	80.26	4

Note: All Scores rounded to the second decimal.

C. Cost Analysis

A cost analysis of the elements of cost including labor rates, indirect rates and other direct costs was completed in accordance with Metro's Procurement Policies and Procedures, including fact-finding, clarification and cost analysis and the cost factors were determined to be fair and reasonable. Metro negotiated and established indirect cost rates and as appropriate provisional indirect (overhead) rates, plus a fixed fee factor to establish a fixed fee amount based on the total estimated cost of performance of the Scope of Services, during the contract term.

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 retroactive Contract adjustments upon completion of any necessary audits. In accordance with FTA Circular 4220.1.f, if an audit has been performed by any other cognizant agency within the last twelve-month period, Metro will receive and accept that audit report for the above purposes rather than perform another audit.

Proposer: ARCADIS MOTT MACDONALD (AMM) ESFV LRT JV			
Contract Duration	Cost Proposal Amount	Metro ICE	NTE Funding Amount
Base Period – 7 Years	\$60,508,189 ⁽¹⁾	\$56,448,898 ⁽²⁾	\$65,606,451 ⁽³⁾

Notes:

- (1) This is a Cost Plus Fixed Fee (CPFF) Contract with no definable level of effort for the Scope of Services at the time of proposal. In order for Metro to perform the cost analysis, Proposers submitted a cost proposal amount for the standardized level of effort based on Metro's Staffing Plan issued in Amendment No. 3 of the RFP, for the Key and Required Personnel which the most qualified Proposer estimated at 1,860 hours for each of the 155.3 Full Time Equivalents (FTEs), totaling 288,858 labor hours.
- (2) The Independent Cost Estimate (ICE) was established based on the same Staffing Plan of 155.3 FTEs, but Metro estimated the FTEs at 1,920 hours for a total of 298,176 labor hours for the Scope of Services developed for the Contract. The ICE is based on only estimated direct labor hourly rates for the Consultant, estimated overhead rates, estimated Subcontractors' costs, estimated other direct costs, and estimated fixed fee factor.
- (3) During negotiations, the labor hours per FTE were standardized at 1,920 hours, resulting in agreement on a total estimated level of effort of 298,176 labor hours for the Key and Required Personnel. Direct labor hourly rates are supported by payroll data validated by Metro; overhead rates for the JV Partners are based on current FAR Part 31 compliant audits submitted by the Proposer during negotiations; and other direct costs and fixed fee amount were negotiated and determined to be fair and reasonable. The additional 9,318 labor hours required by Metro to perform the Scope of Services at actual, validated labor and overhead costs is why the negotiated final amount is higher than both the Cost Proposal Amount and the ICE. The final amount of **\$65,606,451** is the requested NTE for the total cost of the agreed estimated level of effort required to perform the Scope of Services by the Consultant and sub-consultants for the base term of the contract.

D. Background on Recommended Consultant

ARCADIS U.S., Inc., JV Partner of ARCADIS MOTT MACDONALD (AMM) ESFV LRT JV, with local office in Los Angeles, provide a full spectrum of consulting, design, engineering, project and construction management services related to infrastructure, environment, and waste solutions in the public and private business sectors. The Company is a Delaware corporation and maintains offices throughout the United States, including several in the greater-Los Angeles area. ARCADIS U.S., Inc. is a wholly owned subsidiary of its ultimate parent entity, ARCADIS N.V., a leading global design and consultancy organization for natural and built assets headquartered in the Netherlands. ARCADIS N.V. is a publicly traded company with its shares traded on the EuroNext exchange. ARCADIS US Inc. has significant experience specifically related to providing and construction support for large capital projects. ARCADIS has four active contracts with LA Metro, three as a prime: Construction Claims Management, Regional Connector Construction Management and Environmental Operations Support and AST/UST Management. ARCADIS is providing the Principal in Charge for this Contract.

MOTT MACDONALD GROUP, a JV Partner of ARCADIS MOTT MACDONALD (AMM) ESFV LRT JV, with local office in Los Angeles, is also a publicly traded company headquartered in the U.K. with experience in architecture, engineering, construction management, and construction management support services including two active contracts with LA METRO, both as a prime: Construction Management Support Services for Section Three of the D Line Extension (WPLE3), and Supplemental Engineering Services (SES) including design, engineering, and design support services during construction for the Metro G Line Bus Rapid Transit Improvements Project. MOTT MACDONALD GROUP is providing the Project Manager for this Contract.

DEOD SUMMARY

**CONSTRUCTION MANAGEMENT SUPPORT SERVICES CONSULTANT (CMSSC)
FOR EAST SAN FERNANDO VALLEY (ESFV) LIGHT RAIL TRANSIT PROJECT
CONTRACT NO. AE82218**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 28% Disadvantaged Business Enterprise (DBE) goal for this solicitation. Arcadis Mott MacDonald (AMM) ESFV LRT JV exceeded the goal by making a 30.05% DBE commitment.

Small Business Goal	28% DBE	Small Business Commitment	30.05% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	AIM Consulting Services	Caucasian Female	1.54%
2.	American Safety Group	Hispanic American	3.02%
3.	Baryeh Construction	African American	7.91%
4.	Kelly McNutt Consulting	Caucasian Female	3.56%
5.	Material Culture Consulting	Caucasian Female	0.00%*
6.	MTGL, Inc.	Hispanic American	1.82%
7.	Steiner Consulting Inc.	Caucasian Female	4.53%
8.	Suenram Associates, Inc.	Caucasian Female	2.36%
9.	The Sierra Group	Hispanic American	5.31%
Total DBE Commitment			30.05%

*** Firm was listed in AMM's proposal with zero commitment as a non-DBE. Although, DEOD's review determined that Material Culture Consulting is DBE certified, the firm is not part of the Proposer's dollar commitment. Only DBE firms listed with dollar commitments are calculated toward the goal.**

B. Contracting Outreach and Mentoring Plan (COMP)

COMP is not applicable for this A&E contract. In accordance with the California Government Code Section 4525, et seq., Metro shall use qualifications-based competitive procedures for the procurement of architectural and engineering services, as defined in the code. Only a competitor's qualifications to perform the architectural and engineering services are to be evaluated and the most qualified proposing firm to be selected.

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. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.