



Board Report

File #: 2024-0063, File Type: Contract

Agenda Number: 16.

CONSTRUCTION COMMITTEE MAY 16, 2024

SUBJECT: NORTH HOLLYWOOD TO PASADENA BUS RAPID TRANSIT PROJECT - FINAL DESIGN SERVICES

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. AWARD Contract No. AE112357000 to prepare Plans, Specifications, and Estimates (PS&E) for the North Hollywood to Pasadena Bus Rapid Transit Project (Project) to HDR Engineering, Inc., in the amount of \$29,846,544 subject to resolution of properly submitted protest(s), if any; and
- B. EXECUTE individual Contract Modifications within the CEO's Board approved authority.

ISSUE

Board approval is required to execute the contract to complete PS&E for the Project. PS&E is the next phase in the project development process and must be completed before construction can begin.

BACKGROUND

The Project is a 19-mile Bus Rapid Transit (BRT) corridor with 22 stations. The Project serves as a key regional connection between the San Fernando and San Gabriel Valleys and traverses the communities of North Hollywood, Burbank, Glendale, Eagle Rock, and Pasadena. Each community has dense residential populations and many cultural, entertainment, shopping, and employment areas throughout, including the NoHo Arts District, Burbank Media District, Glendale Galleria, Americana at Brand, Eagle Rock Plaza, and Old Pasadena.

Following the completion of the environmental phase in April 2022, the Board certified the final environmental impact report (FEIR) and approved the Project. The approved Project entered Advanced Preliminary Engineering (APE), which includes advancing design work and continued coordination with the cities and communities along the corridor, and the Preliminary Engineering (PE) phase was completed in December of 2023.

The Construction Manager/General Contractor (CM/GC) approach will be used to deliver and construct the Project. Utilizing CM/GC provides the benefit of construction contractor input during the design phase before the start of construction.

There is currently an active procurement to support the CM/GC contract. Once the procurement process is completed, a recommendation to award the CM/GC contract will be brought to the Board for consideration.

The Project goals are to:

- Advance a premium transit service that is more competitive with private automobile travel;
- Improve accessibility for disadvantaged communities;
- Improve transit access to major activity and employment centers;
- Enhance connectivity to Metro and other regional transit services;
- Provide improved passenger comfort and convenience; and
- Support community plans and transit-oriented community goals

DISCUSSION

This contract for PS&E is to complete the final design for the Project. Finalizing the design requires managing resources and coordinating staff to monitor the progress of the contract, taking corrective action when necessary, and establishing controls and assuring quality to ensure the objectives of the PS&E phase of the Project are met. The services provided under the recommended contract will include the initiation, planning, execution, control, and closeout of the PS&E process.

PS&E work will require extensive coordination between Metro, the Cities of Los Angeles, Burbank, Glendale and Pasadena, Caltrans, and two supporting contracts including:

- Program Management Support Services (PMSS) contract; and
- Construction Manager/General Contractor contract

The PS&E firm will develop the final design and approved-for-construction plans and specifications by providing highly skilled and qualified individuals to work collaboratively with Metro staff, the PMSS consultant, the CM/GC contractor, and third-party stakeholders.

By utilizing the CM/GC approach to deliver and construct the Project, the construction contractor will provide feedback during the design development phase before the start of construction. The PS&E team will work collaboratively with the CM/GC staff and incorporate input on constructability, Project phasing, and value engineering ideas as the design progresses.

The Project alignment runs through four municipalities and is built entirely within the public right-of-

way. The PS&E is responsible for developing the design in accordance with the applicable standards of each municipality along the alignment, with extensive coordination and design reviews with each City. The design for the Project will be packaged in five (5) segments (North Hollywood, Burbank, Glendale, Eagle Rock, and Pasadena) to facilitate phasing the design and construction of the project to optimize the schedule while accommodating the different design review and approval processes applicable to each of the four municipalities.

The PS&E team will also support the Project's outreach and communications plan with technical input, engineering drawings, and other information critical to supporting robust community and other stakeholder engagement.

DETERMINATION OF SAFETY IMPACT

This action will have no detrimental impact on safety.

FINANCIAL IMPACT

The FY2024 adopted budget includes \$2,000,000 in Cost Center 8510, Project 871401 for the Project PS&E. Since this is a multi-year contract, the Chief Program Management Officer and Project Manager will be responsible for budgeting in the future years.

Impact to Budget

The Project has capital funding programmed into the Metro financial forecast based on the cost estimate prepared for the Measure M Expenditure Plan of \$267 million with an additional \$50 million in SB1 funds, for a total of \$317 million.

The source of funds for this action is Measure M 35% dedicated to this project by ordinance.

EQUITY PLATFORM

The Diversity and Economic Opportunity Department (DEOD) established a 24% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. The proposed contractor team exceeded Metro's small business goals by making a 37.69% Small Business Enterprise and 3% Disabled Veteran Business Enterprise (DBVE) commitment.

The PS&E proposal evaluation criteria allocated a possible five points out of 100 to the proposing firm's demonstration of a well-defined approach to ensure that Cultural Competency is considered and executed in the performance of the Scope of Services. Proposers were instructed to reference policies and practices at the organizational level as well as values and behaviors at the individual level that will establish reciprocal relationships that support trustworthy communication between the Project team and the community.

The Project area includes several Equity Focus Communities (EFCs) in North Hollywood, Burbank, Glendale and Pasadena and will provide the benefits of enhanced mobility and regional access for transit riders within those communities.

The Project team provided robust stakeholder engagement and focused outreach activities to better engage transit riders and EFCs to inform the planning and environmental review and will continue this robust outreach during design and construction activities.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports:

- Strategic Plan Goal 1: Provide high quality mobility options that enable people to spend less time traveling;
- Strategic Plan Goal 2: Deliver outstanding trip experience for all users of the transportation system; and
- Strategic Plan Goal 3: Enhance communities and lives through mobility and access to opportunity.

ALTERNATIVES CONSIDERED

The Board could decide not to approve the recommended PS&E contract for the Project. This alternative is not recommended because the use of an experienced PS&E contractor is necessary to advance the conceptual level design to construction ready documents.

NEXT STEPS

Upon Board approval, staff will execute Contract No. AE112357000 with HDR Engineering Inc., for PS&E services.

ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Anthony DeFrenza, Senior Director, Construction Management, (213) 922-7170
Mark Van Gessel, Executive Officer, Projects Engineering, (310) 431-3354
Carolina Coppolo, Interim Deputy Chief Vendor/Contract Management Officer
(213) 922-4471

Reviewed by: Timothy Lindholm, Chief Program Management Officer (Interim), (213) 922-7297



Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

NORTH HOLLYWOOD TO PASADENA BUS RAPID TRANSIT (BRT) PROJECT –
FINAL DESIGN SERVICES / AE112357000

1.	Contract Number: AE112357000	
2.	Recommended Vendor: HDR Engineering, Inc.	
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: 8/31/2023	
	B. Advertised/Publicized: 8/31/2023	
	C. Pre-Proposal Conference: 9/21/2023	
	D. Proposals Due: 10/16/2023	
	E. Pre-Qualification Completed: 3/12/2024	
	F. Ethics Declaration Forms Submitted to Ethics: 10/19/2023	
	G. Protest Period End Date: 5/20/2024	
5.	Solicitations Picked up/Downloaded: 103	Proposals Received: 3
6.	Contract Administrator: Anush Beglaryan	Telephone Number: (213) 418-3047
7.	Project Manager: Anthony Defrenza	Telephone Number: (213) 922-7107

A. Procurement Background

This Board Action is to approve Contract No. AE112357000 issued in support of Plans, Specifications, and Estimate (PS&E) Services for the North Hollywood to Pasadena Bus Rapid Transit (BRT) Project. Board approval of contract awards are subject to the resolution of any properly submitted protest(s), if any.

The Request for Proposals (RFP) was issued in accordance with Metro's Acquisition Policy and the contract type is cost reimbursable plus fixed fee.

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

- Amendment No. 1, issued on October 2, 2023, clarified Exhibits.

On September 21, 2023, a virtual pre-proposal conference was held with a total of 46 individuals in attendance. There were three sets of questions and responses released prior to the proposal due date.

A total of 103 firms downloaded the RFP and were registered in the plan holder's list. A total of three proposals were received on October 16, 2023.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro's Engineering Office, Planning & Development, and Program Control was convened and conducted a comprehensive technical evaluation of the proposals received.

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

• Degree of the Skill and Experience of Proposed Team	45 Points
• Effectiveness of Project Management Plan	20 Points
• Project Understanding and Approach	30 Points
• Approach to Cultural Competency	<u>5 Points</u>
	100 Points

The evaluation criteria are appropriate and consistent with criteria developed for other, similar Architectural and Engineering (A&E) procurements. Several factors were considered when developing these weights, giving the greatest importance to the Degree of the Skill and Experience of Proposed Team and Project Understanding and Approach.

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

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

1. Arcadis
2. HDR Engineering, Inc.
3. STV, Inc.

During November and December 2023, the PET reviewed and scored each proposal. On January 23, 2024, the PET met and interviewed all three firms. The firms' project managers and key team members had an opportunity to present each team's experience and qualifications for completing design work on similar projects.

Qualifications Summary of Recommended Firm:

HDR Engineering, Inc. (HDR) demonstrated similar past PS&E experience with BRT projects and has proposed a highly qualified team that possesses public transportation experience and has successfully delivered more than 80 BRT projects nationwide. Their proposal provided a thorough understanding of the project and

their approach to performing the design work. HDR achieved the highest average score of 4.33 for their Approach to Cultural Competency.

After evaluation of proposals and interviews, the PET's recommendation in the order of ranking is shown in the table below:

1	Firm	Weighted Average Score	Factor Weight	Average Score	Rank
2	HDR ENGINEERING, INC.				
3	Degree of the Skill and Experience of Proposed Team	94.82	45.00%	42.67	
4	Effectiveness of Project Management Plan	80.00	20.00%	16.00	
5	Project Understanding and Approach	78.89	30.00%	23.67	
6	Approach to Cultural Competency	86.67	5.00%	4.33	
7	Total		100.00%	86.67	1
8	STV, INC.				
9	Degree of the Skill and Experience of Proposed Team	74.82	45.00%	33.67	
10	Effectiveness of Project Management Plan	68.33	20.00%	13.66	
11	Project Understanding and Approach	85.57	30.00%	25.67	
12	Approach to Cultural Competency	73.33	5.00%	3.67	
13	Total		100.00%	76.67	2
14	ARCADIS				
15	Degree of the Skill and Experience of Proposed Team	68.89	45.00%	31.00	
16	Effectiveness of Project Management Plan	75.00	20.00%	15.00	
17	Project Understanding and Approach	83.33	30.00%	25.00	
18	Approach to Cultural Competency	80.00	5.00%	4.00	
19	Total		100.00%	75.00	3

C. Cost/Price Analysis

Consistent with Metro's procurement procedures, prior to when the RFP was issued, Metro's technical staff prepared an Independent Cost Estimate (ICE) based on the estimated Level of Effort (LOE) (staff positions/labor hours) required by the Scope of Services (SOS) included in the RFP. The ICE provided the basis for Metro's development of pre-negotiation objectives and Metro's negotiation position.

Subsequent to reviewing the cost proposal of the most qualified firm, staff initiated negotiations with the following objectives: (1) to negotiate and reduce the cost; (2) to clarify the proposer's assumptions, estimates, inclusions and exclusions to the SOS; and (3) to arrive at a mutually agreeable fair and reasonable LOE and Not-to-Exceed (NTE) cost for this cost reimbursable contract.

Proposer Name	Proposal Amount	Metro ICE	Negotiated or NTE amount
HDR Engineering, Inc.	\$41,808,116	\$18,982,200	\$29,846,544

HDR Engineering Inc.'s initial cost proposal was \$41,808,116. Staff successfully negotiated this down to \$29,846,544, reflecting a cost savings of \$11,961,572. Staff determined that HDR's original cost proposal identified labor hours which were outside of the SOS included in the RFP. Also, HDR's original cost proposal improperly included speculative contingency for risk of future regulations.

The difference of \$10,864,344 between Metro's ICE and the negotiated NTE amount is due to the following factors:

- The project corridor encompasses four cities. The ICE assumed that within the PS&E team, two design groups would advance the design in parallel, each responsible for two of the four cities. HDR's proposal includes staffing for five design groups, one for each of the four municipalities and one for the development of design for early works construction. The additional staffing necessary to coordinate work among five teams results in the largest difference between the ICE and the negotiated amount. During negotiations, HDR justified their proposed five-team approach as being the most efficient way to perform the project's Scope of Services and manage the relationship with each of the four cities. Metro's project team agrees that the improved ability to respond to the cities' specific concerns afforded by this approach will mitigate the risk of overall project schedule impacts caused by one city or individual reviewer and warrants the additional staffing and costs as proposed by HDR.
- When the ICE was developed, the project cooperative agreements with the City of Burbank, City of Glendale, City of Los Angeles, and City of Pasadena were under development, with a target to finalize agreements before the PS&E contract was awarded. Three of the four agreements are still under negotiations; accordingly, some of the durations for city activities that have an impact on the overall design schedule have not been finalized. HDR's approach provides for a 17.5-month overall design duration compared to a 16-month overall design duration assumed in the ICE. This additional time, which Program Management agrees with, allows for more flexibility in accommodating the cities' reviewing durations within the overall proposed LOE.

The Metro project team, in collaboration with the PS&E team, will regularly evaluate the assigned PS&E staff and the organization of the PS&E team and work collaboratively to make adjustments as necessary to deliver the design as efficiently and cost-effectively as possible.

D. Background on Recommended Contractor

The recommended firm, HDR Engineering, Inc. (HDR), located in Los Angeles, CA, was founded in 1917. HDR's Los Angeles office has been in business for more than 17 years and has been conducting business with various Los Angeles agencies, including LA Metro. HDR has demonstrated successful past similar experience providing PS&E services for other major transit projects in Los Angeles County as well as actively working on Metro projects such as the I-105 ExpressLanes, Southeast Gateway Line (Formerly West Santa Ana Branch Transit Corridor), and Purple (D Line) Extension Project.

DEOD SUMMARY

**NORTH HOLLYWOOD TO PASADENA BUS RAPID TRANSIT (BRT) PROJECT –
FINAL DESIGN SERVICES / AE112357000**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established an overall 24% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. HDR Engineering, Inc. (HDR), exceeded the SBE goal by making a 37.69% commitment and met the DVBE goal with a 3% commitment.

Small Business Goal	24% SBE 3% DVBE	Small Business Commitment	37.69% SBE 3% DVBE
----------------------------	----------------------------	----------------------------------	-------------------------------

	SBE Subcontractors	% Committed
1.	Coast Surveying, Inc.	1.08%
2.	D'Leon Consulting Engineers	10.44%
3.	Geo-Advantec, Inc.	2.44%
4.	Kroner Environmental Services, Inc.	0.28%
5.	Monument ROW	0.29%
6.	MPF, Inc.	4.66%
7.	Tatsumi and Partners, Inc.	4.91%
8.	V&A, Inc.	10.44%
9.	WEFAS Architecture	3.15%
	Total SBE Commitment	37.69%

	DVBE Subcontractors	% Committed
1.	Amheart Solutions	3.00%
	Total DVBE Commitment	3.00%

B. Local Small Business Preference Program (LSBE)

The LSBE Preference Program does not apply to Architecture and Engineering procurements. Pursuant to state and federal law, price cannot be used as an evaluation factor.

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). Trades that may be covered include: surveying, potholing, field, soils and materials testing, building construction inspection, construction management and other support trades.

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.