

THIS PRINT COVERS CALENDAR ITEM NO.: 8
FOR THE MEETING OF: November 2, 2004

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Authorizing the Executive Director to execute a Professional Services Agreement with URS Corporation to provide program management/program control services for an initial three year term with the option to renew the Agreement for two additional consecutive three year terms. The total amount of the agreement for the initial three year term will not exceed \$37,611,121.

The scope of services to be performed under this agreement consists of a series of tasks, described in the attached Agreement, Appendix A, "Scope of Work" that will be authorized by TJPA staff under Annual Work Plans and Task Orders.

SUMMARY:

- On April 12, 2004, the TJPA issued a request for proposals (RFP) for a consultant to provide program management/program control services for up to nine years. The Muni Contract Compliance Office established a DBE participation goal of 30% for this RFP.
- On May 21, 2004, the TJPA received five written proposals in response to the RFP. The Muni Contract Compliance Office reviewed all written proposals and determined that they were responsive to the RFP.
- A selection committee reviewed the proposals, evaluated strengths and weakness and scored the proposals.
- Based on the selection committee's evaluation scores of the five written proposals, the TJPA selected three highest scoring teams and conducted interviews with these teams.
- Following interviews, the selection committee again evaluated strengths and weaknesses of the interviewed teams and scored their performance during the interview process.
- The results of the selection committee evaluations determined that the URS proposal was most responsive to the RFP and that the proposer was well qualified to perform the scope of services.
- TJPA staff has negotiated an agreement with URS and recommends that the Board of Directors award this agreement. URS has committed to complying with the DBE participation goals established in the RFP.
- Funding for this agreement will be provided from Proposition K (Prop. K) and Regional Measure 2 (RM-2) funds. The Metropolitan Transportation Commission (MTC) allocated \$15,495,000 of RM-2 funds on September 22, 2004, for the "Part 1 - Preliminary Engineering" phase of the Transbay project. The San Francisco County Transportation Authority (SFCTA) Commission allocated \$3,725,000 of

Prop. K funds on September 28, 2004 and committed to allocate an additional \$1,770,000 in FY 2005-06 for this phase of the project. A portion of these allocations will be used to fund the initial services under this agreement.

- The initial certification of funds for this agreement will be in the amount of \$9,417,800.

ENCLOSURES:

1. Resolution
2. Selection Committee Report
3. Agreement

EXPLANATION OF SCOPE OF SERVICES:

The TJPA developed the RFP for program management/program control services with input from San Francisco Muni and staff of member agencies, including the Peninsula Corridor Joint Powers Board (JPB) and the Alameda – Contra Costa Transit District (AC Transit). On April 12, 2004, the TJPA issued the RFP for a consultant to provide program management/program control services for up to nine years.

The Transbay Terminal Program requires a program management and program controls team to assist the TJPA in planning, managing and implementing this large and complex public infrastructure project. The Program consists of a broad range of infrastructure improvements, including:

- an intermodal transit terminal that will support rail and bus operations,
- viaduct structures connecting the San Francisco Oakland Bay Bridge to the new terminal,
- bus storage facilities with connecting ramp structures,
- temporary bus terminal,
- a 1.3 mile extension of rail alignment in a mined and cut-and-cover tunnel with supporting systems,
- rail systems with associated electrification, signal and supporting infrastructure,
- station and yard improvements at the existing Caltrain terminal.

The complex and interrelated nature of these program components requires a program management team with experience in successful delivery of major public infrastructure projects and a wide variety of technical expertise. The consultant program management team model will provide this specialized expertise and give the TJPA the flexibility to adjust the management organization to respond to the future needs of the project. This team will also provide program controls expertise that will be critical to successful management of the program budget and schedule.

The consultant will provide technical and management support to the TJPA to ensure that all elements of the Transbay Terminal Program are successfully designed and constructed on time and within budget. The scope of services has been developed in compliance with

the Federal Transit Administration's Project and Construction Management Guidelines 2003 Update and current best practices in program management for large public infrastructure projects.

The general responsibilities of the consultant are as follows:

- **Program Management**
 - Provide a Program Manager responsible for assisting the TJPA in overall management of the Transbay Program as well as management of the scope of work under the agreement.
 - Prepare and oversee implementation of a Program Management Plan (PMP). The PMP will address organizational structure, responsibilities, risk management, program insurance, procurement procedures, design process management, construction program management, claims management, quality control/quality assurance, safety and security certification, operations testing and start-up, right-of-way acquisition, environmental assessment/mitigation, interagency agreements and other activities related to implementation of the Transbay program.

- **Program Implementation and Support Activities**
 - Provide a Program Coordinator to assist the Program Manager and Project Managers for the Transbay Terminal and Caltrain Extension projects in managing various support activities, including utilities, permits, insurance, procurement, real estate, environmental mitigation, risk management, stakeholder liaison and other related activities.
 - Provide assistance in coordinating design teams; review plans and proposals prepared by engineering design teams.
 - Provide recommendations for optimization of program delivery.
 - Assist in coordination with regulatory agencies, State and City departments, stakeholders and interested parties; facilitate issue resolution.
 - Establish and maintain a systematic risk management process
 - Assist in setting up and conducting Peer Review, Value Engineering, Constructability and other technical reviews.
 - Assist in planning and management of real estate acquisitions
 - Preside over final system testing and start-up activities.

- **Project Management**
 - Provide full-time managers for each major Program component: Caltrain Downtown Extension and Transbay Terminal, responsible for management of project scope, schedule, budget and quality through the planning, design, construction, testing, start-up and close-out phases of the project.
 - Manage and control project changes, provide timely resolution of issues, review all design submittals and evaluate their completeness, and conformance with various project requirements.
 - Provide management oversight for any Design-Build components of the Program.

- Provide design management, including consistent and appropriate use of design criteria and coordination of design teams and contractors at all interface points, including various contract packages.
- Develop and maintain a design decision and issue-action tracking system.
- Establish and maintain a CADD database.

- **Program/Project Controls**
 - Provide a Program/Project Controls Manager to assist the Program and Project Managers in developing, analyzing and managing project cost and schedule information.
 - Develop a Work Breakdown Structure (WBS) to be used in managing cost, schedule, scope and resources.
 - Develop and update program and project level schedules; provide current information regarding critical/near-critical activities, milestones, progress and outstanding issues.
 - Review and analyze overall Program progress during design, construction and testing; identify areas of concern and develop strategies to mitigate impacts of changes in schedule status.
 - Provide technical support in establishing and maintaining a cost accounting structure.
 - Review and evaluate various cost estimates related to construction and operations; prepare and develop independent cost estimates for various segments of the program.
 - Develop and maintain program and project-level budget, expenditure and cash flow information and provide forecasts of project costs.
 - Develop and maintain a contingency management and tracking system.

- **Quality Assurance/Quality Control Oversight**
 - Develop a QC/QA program setting minimum standards for all design and construction activities.
 - Assist in performing reviews of proposed QC/QA programs.

- **Management Policies & Procedures**
- **Document Management & Administrative Support**
- **Management Information Systems (MIS) Support**

The consultant will report to the Executive Director and the Deputy Director-Chief Engineer but work closely with all TJPA staff.

EXPLANATION OF SELECTION:

The RFP was sent to 82 firms or individuals. It was advertised in the San Francisco Independent and was posted on the CCSF Contract Administration and TJPA websites. A pre-proposal conference was held on April 28, 2004.

On May 21, 2004, five written proposals were received from URS Corporation (teamed with Hatch Mott McDonald & EPC Consultants), Parsons Brinckerhoff, Carter & Burgess Inc. (teamed with DMJM+HARRIS, Inc.), PGH Wong Engineering, and Bovis Lend Lease. Muni Contract Compliance Office reviewed all proposals and determined that all complied with the requirements of and were responsive to the RFP.

The Executive Director convened a selection committee, composed of five individuals representing TJPA member agencies and project stakeholders, to review the proposals. The selection committee report is attached to this staff report.

On June 9, 2004, the selection committee met to evaluate the written proposals based on the evaluation criteria established in the RFP.

Evaluation criteria consisted of the following:

- Experience and qualifications of firm(s): expertise in necessary disciplines, relevance and success of recently completed projects, results of reference checks, subconsultant experience and qualifications, organization of staff for project
- Experience and qualifications of staff: relevant recent experience, professional qualifications and education, demonstrated abilities, results of reference checks
- Project understanding and approach: understanding of scope of work, required services, and special issues, approach to management of staff, schedule and budget, ability to provide qualified and adequate staffing and services in a timely manner

The committee discussed the strengths and weaknesses of each written proposal and subsequently each member of the committee scored each proposal individually. The raw scores of the written proposal evaluations were then tabulated and ranked from one through five. Based on the scoring of the written proposals, three firms were selected for oral presentation and interview. The three short listed firms participated in an oral presentation and interviews on June 14, 2004.

The presentations and interviews were evaluated based on the following criteria:

- Project understanding
- Approach to performing scope of services
- Project organization
- Responses to technical questions

The oral presentation and interview scores provided by the selection committee were evaluated and ranked. The results of this process determined that the URS Corporation team (including Hatch Mott MacDonald (HMM) and EPC Consultants) was most responsive to the RFP and that the proposer was qualified to perform the work. Summaries of scores, strengths and weaknesses are included in the attached selection committee report.

RECORD OF NEGOTIATION:

TJPA staff negotiated an agreement with URS with the assistance of members of the City Attorney's office and input from Muni staff. In preparation for negotiation, TJPA staff also consulted with Contracts and Procurement staff at the San Francisco International Airport and the JPB. Sixteen negotiation meetings took place between June 29 and October 23, 2004. Participating in the negotiations on behalf of the TJPA were: Maria Ayerdi, Executive Director; Elizabeth Wiecha, Deputy Director/Chief Engineer; Sheryl Bregman, Deputy City Attorney and Geoff Spellberg, Of Counsel with Meyers Nave. The consultant team was represented by: (URS) Emilio Cruz, Program Manager; Nicolas Smyth, Vice President; Hilary Passman, Legal Department; (EPC) Steve Wang, Business Manager; (HMM) Ervon Koenig, SF Area Manager.

The scope of work was defined in initial meetings. Subsequent negotiations centered on cost and fee, compensation, insurance and indemnity requirements.

AGREEMENT PROVISIONS

Services performed under this agreement will be authorized by TJPA staff through the issuance of Annual Work Plans and Task Orders. Annual Work Plans and Task Orders will establish a detailed scope of work, specify all deliverables, establish schedule requirements, include a detailed resource plan and cost for the work to be performed. They will also specify the maximum allowable amount of compensation, including fixed fee and incentive fee. This process will facilitate management of contract expenditures while providing essential program management services to the Authority.

Compensation for services performed under this agreement will be primarily on a cost reimbursable basis; however agreed price (lump sum) or time and materials methods of compensation may be used on a limited basis. Compensation will be subject to the Provisional Cost Reimbursement and Rate Agreement (PCRRA), Appendix B of the Agreement, which will establish direct labor and indirect cost rates based on consultant and subconsultant audit information. A fixed fee will be applied to direct and indirect costs in the manner specified in the PCRRA.

The agreement also includes a provision for an incentive fee in an amount not to exceed one percent (1%) of actual allowable direct and indirect costs. The incentive fee would be awarded if all services and products are completed for an actual cost that is five percent (5%) below the compensation amount specified in the Annual Work Plan or Task Order, and if all deliverables are submitted on-time.

The total amount of this agreement will not exceed \$37,611,121 for the initial three year term. This contract limit consists of the following compensation limits:

1. Allowable actual costs not to exceed \$34,390,000,
2. Total fixed fee not to exceed \$2,899,009
3. Incentive fee not to exceed \$322,112.

If the TJPA elects to award any of the three year optional contract terms contemplated under this agreement, the contract limit will be adjusted subject to the approval of the Board.

CONTRACT FUNDING

Near term funding for the PMPC contract will be provided from recent allocations of Prop. K sales tax funds and RM-2 bridge toll funds. MTC allocated \$15,495,000 in RM-2 Funds for the Part 1 Preliminary Engineering phase of the project. The SFCTA allocated \$3,725,000 for FY 2004-05 and committed to allocate an additional \$1,770,000 in FY 2005-06 for this phase of the project.

The adopted FY 04-05 TJPA budget includes \$10,220,000 for the PMPC contract. Because a portion of the Prop K sales tax funds will not be allocated until FY 2004-05, the amount available to certify the PMPC contract is slightly lower than the amount budgeted. The funds available to certify the contract are \$9,417,800, consisting of approximately \$7,816,774 in RM-2 funds and \$1,601,026 in Prop K funds. Encumbering these funds and certifying the contract for this amount leaves adequate funding available to certify the Engineering Design Services for the Caltrain Downtown Extension contract later this year. Additional allocations of committed funds will be required to fully certify these contracts.

Attached to this staff report is the contract.

RECOMMENDATION:

Staff recommends that the Board of Directors authorize the Executive Director to execute a Professional Services Agreement with URS Corporation to provide program management/program control services for an initial term of three years at a cost not to exceed Thirty - Seven Million, Six Hundred Eleven Thousand, One Hundred Twenty-One Dollars (\$37,611,121).

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, On April 12, 2004, the Transbay Joint Powers Authority (TJPA) issued a request for proposals (RFP) to 82 firms and individuals for a consultant to provide program management/program control services for up to nine years; and

WHEREAS, On May 21, 2004, the TJPA received five proposals in response to the RFP and a selection committee evaluated each of them for responsiveness, qualifications and cost; and

WHEREAS, The selection committee conducted interviews of the top three firms following proposal evaluation; and

WHEREAS, The selection committee found the proposal submitted by URS Corporation, teamed with Hatch Mott MacDonald and EPC Consultants, to be the most responsive to the RFP and that the proposer is well qualified to perform the scope of services in a cost effective manner; and

WHEREAS, The Executive Director has negotiated the agreement with URS Corporation attached hereto for an initial term of three years renewable for two consecutive three year terms at the Authority's option at a total cost not to exceed Thirty-Seven Million, Six Hundred Eleven Thousand, One Hundred Twenty-One Dollars (\$37,611,121.00) for the initial three year term; now, therefore be it

RESOLVED, That the TJPA Board of Directors authorizes the Executive Director to execute a Program Management/Program Controls Professional Services Agreement with URS Corporation substantially similar in all respects to the document attached hereto, with only such minor changes as are necessary and approved by the Executive Director and Legal Counsel for an initial term of three years at a cost not to exceed Thirty-Seven Million, Six Hundred Eleven Thousand, One Hundred Twenty-One Dollars (\$37,611,121.00).

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of November 2, 2004.

Secretary, Transbay Joint Powers Authority