

California High-Speed Rail Authority
Briefing: August 17-18, 2022, Board Meeting
Agenda Item #7

TO: Chairman Richards and Board Members

FROM: Christine Inouye, Chief Engineer of Strategic Delivery

DATE: August 17, 2022

RE: Consider Providing Approval to Award the Contract for Design Services for the Fresno to Bakersfield Locally Generated Alternative (LGA) Project

Summary

Staff is recommending that the Board authorize the Chief Executive Officer (CEO), or Designee of the CEO, to execute a contract with HNTB Corporation for a not-to-exceed dollar value of \$44.9 million. If approved, and after contract execution, staff will issue NTP-1 in order to commence design services to progress approximately 18.5 miles of the Fresno to Bakersfield Locally Generated Alternative (LGA) project section through the Authority's stage gate process to configuration footprint design work. The Authority will have the sole discretion to progress the design to final design and construction ready documents (NTP-2) or use an alternate delivery method. NTP-2 work could start prior to the completion of NTP-1 work.

This contract will authorize the consultant to develop the configuration footprint design work, with the option at the Authority's sole discretion to progress the design to final design and ready for construction drawings. Prior to exercising the optional NTP-2 work, Authority staff will submit another Business Oversight Committee (BOC) business case for approval and, if approved by the BOC, request and obtain Board approval for funding.

Background

The 2022 Business Plan lays out the Authority's Business Model for delivering the high-speed rail system. As part of the business model, the Authority follows three principles to guide decisions:

1. Initiate high-speed rail service in California as soon as possible.
2. Make strategic, concurrent investments that will be linked over time and provide mobility, economic and environmental benefits at the earliest possible time.
3. Position ourselves to construct additional segments as funding becomes available.

Building on the Authority's mission and guiding principles, new funding will allow the Authority to focus on our key goals to 1) deliver an electrified two-track initial operating segment connecting Merced, Fresno and Bakersfield as soon as possible, and 2) invest statewide to advance engineering and design work as every project section is environmentally cleared.

Prior Related Board Action

The 2022 Business Plan was adopted by the Authority's Board of Directors on April 27, 2022 and submitted to the state legislature on May 6, 2022. This contract for design services for the LGA project is consistent with the 2022 Business priority of expanding the 119-mile segment in the Central Valley to develop 171 miles of electrified high-speed rail service by advancing design, funding preconstruction work and constructing extensions to Merced and Bakersfield, connecting downtown Merced, Fresno and Bakersfield with additional stops at Madera and Kings/Tulare.

On February 17, 2022, the Board approved the issuance of an architectural and engineering (A&E) Request for Qualifications (RFQ) for design services for the LGA project to procure a 2 year and 3-month contract valued up to \$44.9 million on or after March 18, 2022 through Resolution #HSRA 22-06.

Discussion

Authority staff seeks approval to award a contract for design services for the LGA project and authorize the CEO, or designee of the CEO, to execute a contract with HNTB Corporation for a not-to-exceed amount of \$44.9 million for the NTP-1 work. This A&E contract will be managed by Strategic Delivery to support the delivery of stages 3 through 5 for the LGA project section.

The LGA high-speed rail project section is located within Kern County with City of Shafter in the north and City of Bakersfield in the south.

- The preferred alternative alignment included in the 2018 and 2019 Environmental Impact Report/Environmental Impact Statement (EIR/EIS) begins at the southern limit of highspeed rail Construction Package 4 at Poplar Avenue in the City of Shafter and ends at the Bakersfield high-speed rail station at F Street.

The NTP-1 contract scope of work and deliverables will include the following (Stage 3):

1. Project Configuration Footprint
2. Value Engineering
3. Project Cost Updates
4. Verified Travel Time Enhancements
5. Updated project risk assessment and schedule

6. Right-of-Way Mapping
7. Utility Conflicts/Relocations
8. Third-Party Agreement preparation including those with railroads, local jurisdictions, and utilities

The final contract scope of work and deliverables, if the Authority exercises the option to issue NTP-2 for final design and construction ready documents, will also include the following Stage 4 and 5):

1. Final design and construction ready documents
2. Constructability/stage construction plans
3. Verify Travel Time Enhancements
4. Environmental permits preparation
5. Updated project risk assessment including updated project cost estimates
6. Right-of-Way Acquisition Plan
7. Procurement Delivery Plan

Procurement Process

The procurement process for this design services contract was managed directly by Authority staff as a qualification-based contract governed by the state's A&E requirements. The Authority proceeded in accordance with Article XXII of the California Constitution, Government Code § 4525 et seq., the Authority's A&E Regulations, 21 CCR § 10000 et seq. and Board adopted policy, Contract Award Procedures for Request for Qualifications (RFQs). The RFQ was released on March 18, 2022, and Statements of Qualifications (SOQs) were due on or before June 10, 2022.

RFQ Evaluation Criteria and Results

A total of four SOQs were submitted by the following Offeror Teams:

- (1) HNTB Corporation, which includes Anser Advisory Management, LLC, BSK Associates, Jacobs Engineering Group, Inc., SENER Engineering and Systems, Inc., and 20 SB/DBE/DVBE firms.
- (2) PGH Wong Engineering, Inc., which includes Dudek, Krebs Corporation, Mark Thomas, and 12 SB/DBE/DVBE firms.
- (3) T.Y. Lin International, which includes HDR Engineering, Inc., Ardurra Group, Integral Group, Inc., LSA Associates, Inc., Perkins & Will, Rios Design Studio, LLC, Ross & Baruzzini, Inc., Value Management Strategies, Inc., Vibro-Acoustics Consultants, VMA Communications, Inc., and 20 SB/DBE/DVBE firms.
- (4) Stantec Consulting Services, Inc., which includes SYSTRA Consulting, Inc., Quad Knopf, Inc., Anser Advisory Management, LLC, Armand Consulting, Inc., Rincon

Consultants, Inc., Vertical Mapping Resources, Wilson & Company, Inc., and 30 SB/DBE/DVBE firms.

The SOQs submitted by the four offerors were reviewed to ensure that all technical, requisite qualifications, and other RFQ requirements are met. The offerors were evaluated and qualified for the entire scope of work, including both NTPs, but the current request is to award NTP-1 only. The SOQs were then evaluated and scored by the Evaluation Selection Committee (ESC) pursuant to established criteria in the RFQ, which included the following:

1. PROJECT TEAM

- Are the personal qualifications of the personnel identified in the organizational chart appropriate for the roles assigned?
- Does the organizational chart present a clear and logical framework for successfully completing the Work?
- Is the management approach complementary and responsive to the RFQ requirements? Does the staffing plan convey the proper level of response for the work at hand?
- Does the Project Team as proposed demonstrate all of the qualifications necessary to create a high level of confidence that it can successfully perform the Work on schedule and within budget?

2. PROJECT UNDERSTANDING AND APPROACH

- Does Offeror's team exhibit a demonstrated knowledge of the Work required? Work required for Configuration Footprint and utility relocation designs.
- Does the Offeror's team demonstrate knowledge of Infrastructure design and environmental processes in California?
- Are there innovative approaches and internal measures proposed for timely completion of the Work?
- Does Offeror have demonstrated experience with delivering clear, concise, readable project documentation?
- Does the Offeror's Outreach team have demonstrated experience in effectively communicating with the public?
- Is there sufficient evidence of analysis to lend credibility to the commitments made?

3. SMALL BUSINESS UTILIZATION

- Does the Offeror's approach to and experience with Small Business utilization demonstrate the Offeror's responsiveness to meeting the Authority's Small Business goal objectives?
- Do identified subconsultants support Offeror's approach?

4. PAST PERFORMANCE

- Has Offeror's team given clear evidence of successful delivery of projects of similar scope and complexity?

- Has Offeror's team given clear evidence through its examples of prior work that it is capable of completing the Work?
- Do Offeror's reference projects indicate its ability to produce a quality product on time and within budget?
- Do Offeror's reference projects provide evidence of experience providing continuity and consistency with previously approved work as part of the evolution of a similar program?

At the conclusion of the SOQ evaluations, the ESC ranked the offerors based on their SOQ scores. The Authority then invited all four offerors to participate in Discussions, which were evaluated and scored by the ESC pursuant to the established criteria in the RFQ as follows:

1. PRESENTATION

- Quality and appropriateness of the presentation
- Appropriate speakers relative to project challenges
- Project manager control over the teams

2. PROJECT MANAGER PARTICIPATION

- Quality of presentation and responsiveness to questions by the Project Manager
- Project Manager's understanding of Design Services for M-M challenges and requirements
- Project Manager's perceived level of involvement with SOQ structure, content, and presentation plan

3. KEY STAFF PARTICIPATION

- Quality of presentations and responsiveness to questions by key staff participants
- Key staff participants' understanding of assignment challenges and requirements
- Key staff participants' perceived level of involvement with SOQs preparation

4. UNDERSTANDING OF PROJECT

- Does the Offeror convey an understanding of the project's critical success factors?
- Is the Offeror able to provide evidence of successful Small Business utilization for this project?
- Is the Offeror able to provide evidence of prior project experience with challenges of similar magnitude and complexity?
- Does the Offeror demonstrate how lessons learned on past projects will be applied to the particular needs of this project? Is the Offeror candid about any project failings that have been instructive for addressing the particular needs of this project?

The final scores were computed from weighted combinations of SOQ (60%) and Discussion

(40%) scores, in accordance with the RFQ requirements. Each Offeror's ranking is shown below, with the highest final score shown as Rank 1:

Offeror	Total Weighted SOQ Score	Total Weighted Discussion Score	Final Score	Rank
HNTB Corporation	58.50	35.72	94.22	1
Stantec Consulting Services, Inc.	54.54	38.32	92.86	2
T.Y. Lin International	54.78	31.68	86.46	3
PGH Wong Engineering, Inc	52.26	28.48	80.74	4

Based upon the scoring, the offeror with the highest final score, HNTB Corporation, is ranked number one. Notice of Proposed Award (NOPA) was released by the Authority on July 13, 2022, and no protests were received. Following the NOPA, a pre-award audit review was conducted, and negotiations were successfully completed with HNTB Corporation.

Once approved, the agreement between the Authority and the design services consultant includes the Board's adopted 30 percent Small Business (SB) utilization goal, which includes a ten percent race-neutral Disadvantaged Business Entity (DBE) participation goal and a three percent Disabled Veteran Business Enterprise (DVBE) goal. As provided above, HNTB Corporation has identified 20 SB/DBE/DVBE subconsultant firms as a part of its team. In addition, Authority staff engaged in successful negotiations with the design services consultant, and we do not anticipate any impediments to executing the contract, if approved by the Board. During the negotiation process, the Authority recognized the volatility of the labor market (high inflation and staff retention issues) and made a reasonable adjustment to the annual escalated labor rates under the contract.

Legal Approval

This RFQ procurement process was conducted with the assistance of, and under the review of, the Authority Legal Office. The Legal Office has reviewed this contract and the relevant laws, regulations, and policies, and deems this contract to be legally sufficient for execution.

Budget and Fiscal Impact

This request is to enter into a new A&E contract in an initial not-to-exceed amount of \$44.9 million to complete the configuration footprint design work (NTP-1). This request is only for authorization for the initial not-to-exceed amount of \$44.9 million.

If the Authority seeks to exercise the NTP-2 option to progress to final design which is estimated at an additional \$72.0 million, staff will return to the Board for approval to fund the option to progress to final design and construction ready documents.

Capital Outlay Costs

The funds associated with this request include State and federal sources, including State Prop 1A and Cap and Trade funds. The request for NTP-1 is consistent with the Expenditure Authorization approved at the December 2021 board meeting. Upon approval, this request will allocate budget reserved for this work within the 2022 Expenditure Authorization to the Fresno to Bakersfield Locally Generated Alternative (LGA) project design services contract up to \$44,895,172.

2022/23 Fiscal Year Budget

Contract Name	Contract Number	Current FY Contract Budget	Budget Change	Funding Source
Bakersfield LGA SG3	SLPP0402-001	\$16,000,000	- \$16,000,000	State
Fresno to Bakersfield Locally Generated Alternative Project	TBD	\$0	\$16,000,000	State
Total			\$0	

Total Program Budget

Contract Name	Contract Number/Budget Allocation	Current Total Program Contract Budget	Budget Change	Funding Source
Bakersfield LGA SG3	SLPP0402-001	\$44,895,172	- \$44,895,172	State
Fresno to Bakersfield Locally Generated Alternative Project	TBD	\$0	\$44,895,172	State
Total			\$0	

REVIEWER INFORMATION	SIGNATURE
Reviewer Name and Title: Brian Annis Chief Financial Officer	Signature verifying budget analysis Signed 8/8/2022
Reviewer Name and Title: Alicia Fowler Chief Counsel	Signature verifying budget analysis Signed 8/8/2022

Recommendations

Staff is requesting Board approval to award the contract for design services for the LGA project, and authorize the CEO, or designee of the CEO, to execute a 2 years and 3 months contract with HNTB Corporation for a not-to-exceed dollar value of \$44.9 million (NTP-1).

Attachments

- Resolution #HSRA 22-16 Approval to Award Contract for Design Services for the Fresno to Bakersfield Locally Generated Alternative Project