



November 28, 2018

To: Members of the Board of Directors
From: Jennifer L. Bergener, Managing Director
Subject: Agreement for Corridor Optimization Consultant Services

Overview

On December 6, 2017, the Board of Directors approved the release of a request for proposals for consultant services to provide corridor optimization support services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency. Proposals have been received and evaluated in accordance with the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's procurement policies and procedures for professional and technical services. The Board of Directors is requested to authorize the Managing Director to negotiate and execute an agreement for these services.

Recommendations

- A. Approve the selection of Deutsche Bahn Engineering & Consulting USA, Inc. to provide corridor optimization support services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency.
- B. Authorize the Managing Director to negotiate and execute Agreement No. L-8-0017 between the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency and Deutsche Bahn Engineering & Consulting USA, Inc., in the amount of \$990,238, for corridor optimization support services for a three-year term.

Discussion

On August 16, 2016, the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) was awarded \$82 million in grant funds as part of the 2016 Transit and Intercity Rail Capital Program (TIRCP) for a package of projects that will help expand and improve passenger rail service along the LOSSAN rail corridor. Included in this award was \$1 million for planning studies to improve coordination between all trains operating throughout the LOSSAN rail corridor, including Metrolink and COASTER commuter rail service, Pacific Surfliner

intercity rail service, and freight service operated by BNSF Railway and Union Pacific Railroad.

Procurement Approach

The procurement was handled in accordance with the LOSSAN Agency's Board of Directors (Board)-approved procedures for professional and technical services. Various factors were considered in the award for professional and technical services. Award is recommended to the firm offering the most comprehensive overall proposal considering such factors as prior experience with similar projects, staffing and project organization, work plan, as well as cost and price.

On December 6, 2017, the LOSSAN Agency's Board authorized the release of Request for Proposals (RFP) 8-1889, which was originally released on February 26, 2018. The RFP was subsequently withdrawn to allow for the completion of the California State Rail Plan, which prompted minor refinements to the scope, and also in response to request from industry for additional time to prepare proposals. The RFP was reissued electronically on CAMM NET on August 27, 2018. The project was advertised in a newspaper of general circulation on August 27 and September 4, 2018. One addendum was issued to respond to questions related to the RFP.

On September 19, 2018, two proposals were received. An evaluation committee consisting of LOSSAN Agency staff, Orange County Transportation Authority (OCTA) staff from the Contracts Administration and Materials Management Department, as well as external representatives from Amtrak and the North County Transit District met to review all proposals received. The proposals were evaluated based on the following Board-approved evaluation criteria and weights:

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|-------------------------------------|------------|
| • Work Plan | 30 percent |
| • Qualifications of the Firm | 25 percent |
| • Staffing and Project Organization | 25 percent |
| • Cost and Price | 20 percent |

Several factors were considered in developing the evaluation criteria weights. Work plan was weighted at 30 percent to emphasize the importance of the firm demonstrating its ability to provide solutions specific to the complex nature of the LOSSAN rail corridor and the LOSSAN Agency's needs. Qualifications of the firm was weighted at 25 percent due to the breadth and depth of the requested services, the successful firm had to demonstrate a proven track record for meeting the requirements outlined in the scope of work. Staffing and project organization was also weighted at 25 percent as the firm's proposed project team had to demonstrate familiarity with the required specializations in terms of knowledge,

skills, and experience. Cost was weighted at 20 percent to ensure the LOSSAN Agency receives value for the services provided.

On October 3, 2018, the evaluation committee reviewed the proposals received from the two firms listed below in alphabetical order:

Firm and Location

Deutsche Bahn Engineering & Consulting USA, Inc. (Deutsche Bahn)
Sacramento, California

LTK Engineering Services (LTK)
Ambler, Pennsylvania

On October 10, 2018, the evaluation committee conducted interviews with the two firms. The interviews consisted of a presentation to demonstrate the firms' understanding of the LOSSAN Agency's requirements. The firms' project managers and key team members had an opportunity to present qualifications and respond to the evaluation committee's questions. Questions were asked relative to the firms' understanding of the scope of work, experience coordinating efforts on similar complex corridors, stakeholder outreach and engagement, as well as specific clarification questions related to each firm's proposal.

Qualifications of the Firm

The two firms are qualified and demonstrated experience in providing rail coordination and optimization services.

Deutsche Bahn (DB) has been providing engineering and consulting services since 2017. The firm is part of the DB Group, which is a European railroad enterprise, and has over 180 years of rail experience. In addition, the DB Group owns, operates, and maintains the German national rail system. DB has 18 employees and three offices in the cities of Sacramento and Santa Ana, California and Jersey City, New Jersey. DB is currently providing consulting services as the early train operator for the California High-Speed Rail Authority. The firm is also working with the San Joaquin Joint Powers Authority in the optimization of San Joaquin's rail and thruway bus services. DB proposed to utilize two subcontractors with rail experience related to planning, operations, and corridor studies.

LTK has been in business since 1921 and has 430 employees. The firm highlighted its experience in providing rail vehicle and systems planning, engineering, and economic analysis to various clients, including Amtrak, CalTrain, and the Southern California Regional Rail Authority. Overall, the firm's experience is more related to capital rail projects than service planning and operations. The firm proposed to utilize a subcontractor that specializes in communications and environmental services to manage outreach to all LOSSAN stakeholders.

Staffing and Project Organization

DB proposed a project team with relevant experience, such as transportation planning, service planning, railway consulting, and engaging stakeholders. While some of the proposed team members have only been with the firm less than one year, they have previously worked together on past projects. In addition, the firm demonstrated sufficient availability of resources to meet the LOSSAN Agency's needs and the project team members are located along the LOSSAN rail corridor. The proposed project manager has nine years of experience managing transportation efforts on large regional projects, working on service planning projects for existing and proposed rail corridors in California, and building relationships with stakeholder agencies in California. During the interview, the project team members discussed their roles and approach for this effort, as well as responded to the evaluation committee's questions.

LTK proposed a project team with experience in passenger rail, railroad operations, transportation planning, capacity analysis, and public outreach. The proposed project manager has 24 years of technical project management experience in the rail industry. Although LTK proposed sufficient resources, the project team's current assignments result in low availability for the level of effort proposed. In addition, some team members are located outside of the project area and did not demonstrate familiarity with the stakeholder agencies. The project team discussed how they would complete the project requirements and responded to the evaluation committee's questions during the interview.

Work Plan

DB presented a work plan that addressed all of the tasks in the scope of work and demonstrated an understanding of the LOSSAN rail corridor. The firm discussed its approach to providing planning and optimization services for the LOSSAN rail corridor, including producing the deliverables required under each task. Deutsche also discussed in its work plan the specific challenges of each task and provided recommended solutions, such as working with all stakeholders early on to document their needs and objectives for service growth to ensure consensus with the integrated service plans and operating scenarios that are developed. In addition, the firm's proposed project schedule maximizes the three-year time frame for this project by simultaneously performing all the project tasks within the first year.

LTK's work plan discussed its approach to completing the project tasks, such as identifying agencies to form a technical advisory committee and developing cost and revenue options. However, the firm did not demonstrate an understanding of the LOSSAN rail corridor or the stakeholders. Furthermore, LTK's proposed project schedule does not gain momentum and involve the other project tasks until year two of the term of the project. The first year focuses on updating the rail traffic controller

model to document current conditions and engaging stakeholders before the other project tasks are started.

Cost and Price

Pricing scores are based on a formula which assigned the highest score to the firm with the lowest total firm-fixed price and scored the other proposal's total firm-fixed price based on its relation to the lowest total firm-fixed price. DB 's proposed total firm-fixed price is deemed fair and reasonable as it is lower than the independent cost estimate, as well as competitive to LTK's proposed total firm-fixed price.

Procurement Summary

Based on the evaluation of the written proposals, the firms' qualifications, and the information obtained from the interviews, the evaluation committee recommends the selection of DB as the top-ranked firm to provide corridor optimization consultant services for the LOSSAN Agency.

Fiscal Impact

Funding for this project was approved in the LOSSAN Agency's Fiscal Year 2018-19 Business Plan and is funded with State Rail Assistance and 2016 TIRCP funds provided by the State of California.

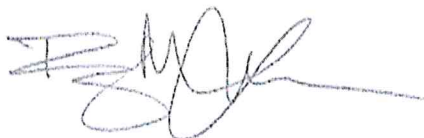
Summary

Based on the information provided, Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency staff recommends the Board of Directors authorize the Managing Director to negotiate and execute Agreement No. L-8-0017 with Deutsche Bahn Engineering & Consulting USA, Inc., to provide corridor optimization consultant services, in the amount of \$990,238, for a three-year term.

Attachments

- A. Review of Proposals, RFP 8-1889 LOSSAN Corridor Optimization Consultant Services
- B. Proposal Evaluation Criteria Matrix, RFP 8-1889 LOSSAN Corridor Optimization Consultant Services
- C. Contract History for the Past Two Years, RFP 8-1889 LOSSAN Corridor Optimization Consultant Services

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