

**QUESTION 1:** Would your preference be to have a single contract that provides the full breadth of support, similar to the scope of the current Rail Delivery Partner contract, or smaller contracts with meaningful scope splits that are more succinct elements that require similar skillsets?

**RESPONSES TO QUESTION 1:**

1. Single Contract.
2. Smaller contracts specific to our skill set. We are a real estate settlement company. We do not even do title. But would love to bid this for escrow/closing services.
3. [Company Name Omitted] would like to respond to specific Requests for Soil and Material Testing and Inspections.
4. I believe smaller contracts with meaningful scope splits would be the most cost effective and efficient method. There would be more competition and more opportunities for small business subcontracting.
5. Smaller contracts may be less of a barrier for local small businesses to contract with the Rail Delivery.
6. The CA HSR should Advertise SMALLER Contracts with more opportunity for California based small/DVBE specialists instead of Mega-Firms that are headquartered overseas like WSP who then staff with people who don't know California.
7. Prefer smaller contracts with meaningful scope splits. This may prevent additional conflict of interest as there is only so much staff resource to deliver the CHSR program.
8. [Company Name Omitted] would prefer a single contract. Our preference would be that the RFP include flexibility for the Authority to add engineering and construction management at a later time.
9. The most effective use of the contract is to procure smaller contracts with meaningful scope splits. We suggest the construction management contract for track and systems be procured as separate contract as well. Smaller, separate contracts will allow for more meaningful opportunities for S/D/DV/MBE firms to participate on the project and potentially serve as a prime consultant. This would also aid in job creation in the Central Valley. Another consideration is the current labor pool in the region. A larger contract will require a significant depth of resources from an already stressed labor market. Breaking apart the contract may help alleviate this issue. Smaller contracts will also allow the Authority to access different and

specific skills sets and experiences from national and international firms. This broader resource pool of experts will allow the Authority to consider different viewpoints and lessons learned from around the globe.

10. The CAHSR is a major and complex program, that led the organization in sections for the Civil Works and in one package for the Track & Systems. Even if we understand the intention to split the Delivery Support into smaller contracts with meaningful scope, we strongly believe that the one single contract approach provides the full breadth of support with one integrated team working side by side with the CAHSR Authority. Based on previous experience, dividing the Delivery Support into several smaller contracts would add a need of integration and coordination between the different them.

Further to that, the situation regarding Conflict of Interest around CAHSR could create a situation where there is a lack of competition if the Delivery Support Partner is split into smaller contracts.

[Company Name Omitted] believes than one major Delivery Support Partner will led to more cohesion for the project all working for the same and unique goal : the delivery of CASHR in time and in budget.

11. [Company Name Omitted] can adapt and deliver against both approaches. As part of [omitted] in the [omitted ] we are highly experienced in executing large complex rail programs as a rail system owner/operator. We understand the advantages each approach brings.

For example, there could be advantages for the Authority in some form of splitting out of certain activities into separate smaller contracts which employ companies with high calibre/unique expertise in specific areas. the . This approach could be better for the overall success of the project, be more cost effective, more transparent, and enable the Authority to select the best team for each component. For example, separating out the management and oversight of the Track and Systems contract might provide the Authority with a better service and outcome as a result.

However, this requires a larger contract management capability within the Authority to be able to manage and administer . . multiple contracts.

The Authority could however strengthen their core team with someone like [Company Name Omitted], whose staff are used to being in a client organization and have taken on similar roles in the UK. The Authority could then take on a more hub and

spoke approach (like the High Speed 2 Program in the UK). This may be a lower risk, more cost effective, more transparent, and efficient contracting approach for a program like this.

12. As a small, minority and veteran owned business, we would prefer that smaller contracts with meaningful scope splits be procured. This gives businesses like [Company Name Omitted] an opportunity to participate and possibly prime a piece of the scope.
13. From the HSR Authority perspective, there are significant advantages to having a single contract. Two of the largest and most common challenges for any mega-project include “insufficient alignment and coordination of the extended enterprise” and “processes are locally optimized and not integrated for the entire enterprise.” Having smaller contracts would also conflict more consultants out of other work and place significantly more burden on the state to ensure clear responsibilities and accountabilities are delineated. A single contract would transfer most of this risk to the winning firm(s).  
Alternatively, we certainly see some advantages to the Program of having a separate “quality” contract that could potentially provide better predictability, reliability, and quality assurance across the entire lifecycle of the program. It is important for the Authority to receive unfiltered and candid data related to what the current status of quality is on completed work, while at the same time working collaboratively with all stakeholders to mitigate risks and identify paths forward.
14. We are fully acquainted to both types of contracts. The usual scheme with our main client is procuring small contracts with meaningful scope splits. But in other markets we work with clients who pack this type of scope under a single overarching “engineering partner” contract. In this case, we believe splitting the scope into smaller contracts will be preferable as it allows more opportunities for engaging S/D/DV/MBE firms. These firms are usually strongly specialized and will easily have larger responsibilities across a meaningful scope split, thus adding value to the project form a wider range of sources.
15. [Company Name Omitted] would prefer a single comprehensive program partner contract. Our global experience on major, forward-thinking HSR programs has demonstrated that a collaborative contract approach is necessary because it ensures the supplier’s role and outcomes are aligned and incentivized to achieve CHSRA’s program goals. This approach provides protection against more transactional supply chain support and is dependent on the need to drive clear responsibility into a

single contract where there is a single point of integration so that risk can be managed holistically.

Benefits to CHSRA include program-wide accountability for the strategic outcomes (as opposed to fragmented project or individual systems products) and speed to market and integration of a portfolio of projects and systems. This benefits the people of the State of California, not just in terms of on-time and budget delivery, but in meeting the strategic outcomes.

Strategic outcomes include socio-economic regeneration, reduced greenhouse gas emissions and vehicle miles traveled to help the State meet its climate goals and improved integrated intercity connectivity.

The Program Delivery Support contract will span a period which will be one of intense multi-project coordination and systems integration. A number of smaller contracts with diverse scopes will significantly increase the difficulty of achieving an already challenging integration mission. A single program management contract is also appropriate given the significant universe of decision makers, stakeholders, and service providers as well as the complexity of this multi-phase program spanning a large, multi-jurisdictional geography.

16. Smaller contracts.
17. Having one overarching Program Delivery Support contract certainly provides efficiency and consistency across the entire program. Should this not be the most optimal approach for the Authority going forward, we would suggest that at minimum the scope focus on all aspects of related to completing Phase 1 (completion of the 3 segments, vehicle procurement, coordination with the operator, etc). Aspects of Phase 2 could be included in a separate contract.
18. There are pros and cons to both approaches, but I would prefer a single contract. Having the contract under one Prime would enable much better integration and consistency in approach across the entire scope of the contract. But it will only work with the right Prime in place. My suggestion would be to not award it to the Prime that has been performing in that role at less than the desired level for over a decade, but to bring in a new firm that can establish a more productive and supportive work environment. That would require the development and implementation of a good transition plan, unlike the one implemented for the "Form to Function" transition, which left some departments, including Contract Compliance, with no staff under the Administrator for a period of time. Developing a contract with strong requirements and governance by the Authority staff in all

areas (including compliance with the SB/DBE/DVBE goals) will increase the chance of the Program's success. And the implementation of more data-driven decision making would help ensure choices are made that take into account potential consequences of decisions and mitigate those, using a risk-based approach. A single contract that has clear requirements, performance metrics, and strong governance would enable small firms like mine to have a chance of supporting the Authority in the successful completion of the Program.

19. Major projects across the globe are adopting a model whereby they procure a separate Program Partner (PP) support contract and Delivery Partner (DP) contract. Metrolinx GO are currently out to market to procure a fully integrated PP and the shortlisted entities have all formed alliances/consortia drawing on the expertise of a number of organizations. In the case of HS2 the Authority has adopted a different model appointing independent Procurement, PMO/controls and Cost & Commercial professional services providers which sit alongside the other functions within the PP of design management etc.

The Program Partner acts as extension of the Authority setting and assuring governance, standards and methods whilst the Delivery Partner is responsible for managing the delivery of the contractors/vendors. This model is becoming widely adopted for major programs and projects as the failures of traditional 'one stop shop' prime models has been exposed and the demand for capability exceeds supply. The Program Partner and Delivery Partner model encourages collaboration, commercial tension and performance management. It also allows the Authority to secure the best talent from the marketplace rather than drawing it from one organization which will inevitably become the 'single point of failure.'

The Authority has the choice to either allow the market to form a fully disciplined Program Delivery Support/Partner entity or select the best by function through being a 'marriage maker' forming a collaborative entity. As a reference Metrolinx GO is adopting the former whilst HS2 in the UK has adopted the latter. The seminal Heathrow Terminal 5 project also adopted the 'marriage make alliance' model under strong Authority leadership. A hybrid models where clients seek to appoint an independent cost & commercial/project controls entity is also growing. The logic of this is to maintain a high degree of commercial and performance management tension and program assurance.

Our view/recommendation is for the Authority to encourage the market to form an alliance/JV arrangement for their Delivery

support contract whilst procuring a separate lot(s) for an independent PMO/controls and Cost & Commercial entity which specializes in managing the performance of major complex projects. Through this model the Authority can drive better levels of performance as evidenced by industry performance data.

Whichever approach is selected the Authority must ensure that they have absolute clarity on the capabilities required to set up and manage the program performance and realize better outcomes through creating a collaborative environment. In doing so the Authority must be reflective on their own role and ability to secure the requisite capabilities.

20. We feel that smaller contracts with concentrated scope splits would provide the best opportunity for the consultant community to provide effective management solutions to the complicated, dynamic design-build construction process. Smaller, separate contracts will allow for more meaningful opportunities for S/D/DV/MBE firms to participate on the project and potentially serve as a prime consultant.

This would also aid in job creation in the impacted area, the Central Valley. Smaller contracts will also allow the Authority to access different skills sets and experiences from national and international firms. A broader resource pool of experts will allow the Authority to consider different viewpoints and lessons learned from around the globe.

We also suggest the construction management opportunity be advertised as separate contract vehicle from the Rail Delivery Partner. This again will improve the expertise available to the agency but also allow for a larger resource pool from which to draw. A larger contract will require a significant depth of resources from an already stressed labor market and greatly reduce the competition available to the agency. Breaking apart the contract may help alleviate this issue.

21. While it initially seems that having a single contract is optimal, it's recommended the Authority consider a consortium of firms, large and small, with some similar competencies and maybe some with broader ranges of experience, to perform the tasks to be identified for the PDS consultant. This approach provides a means for greater creativity and initiative in problem solving, a higher level of internal accountability that may not be necessarily present in the current RDP, and may result in greater commitment by a larger group of entities to achieve a smooth transition, especially with the very short transition timeframe currently stipulated. This approach would require one of the parties to have the role of Integrator, responsible for the

coordination, integration and consistency in approach across the entire scope of the contract, while also allowing several firms to focus on specific aspects of the full scope of the contract. This approach also requires the development and implementation of an agreed upon transition plan that clearly identifies who is doing what by when as well as how those parties will be held accountable.

22. We would prefer that HSR review the scope to determine whether smaller contracts with meaningful scope splits be procured. Examples could include labor compliance, [S/D/DV/MBE] compliance and claims analyst. Too often opportunities for [S/D/DV/MBE] firms are not consistent because primes offer inconsistent part time participation such as 40 hours one month and next month 100 hours, and then go away and comeback in a few months. This intermittent participation does not allow firms to truly provide services that are needed and required as well as finding and maintaining staff and being able to have enough hours to provide benefits affordably. Turnover becomes huge. The whole team suffers with this approach. Maybe not a team of 80 subs under the PM contract, let a few smaller or medium contracts as well. We would also prefer the construction management contract be procured as separate contract as HSR has done in the past. This will allow for more meaningful opportunities for [S/D/DV/MBE] firms such as ours to participate on the project.
23. Smaller contracts with meaningful scope splits – 1) when small and micro-businesses with typically more narrow focus are forced to be subcontractors, primes use us to look inclusive, but give us no or minimal work upon contract award; 2) the buyer is paying an unnecessary premium on our services when we are subcontractors to primes.

**Question 2:** Do any scope elements of the current Rail Delivery Partner contract present a challenge or barrier for teaming given the current procurement schedule?

**RESPONSES TO QUESTION 2:**

1. No.
2. We would have to work in tandem with a title company-who would guarantee clear title to any purchased property.
3. If the contractor is signatory to Operating Engineers it would require a Project Labor Agreement for our Participation.
4. Scope elements don't present a challenge or barrier for teaming in my opinion. Current issues with supply chain and availability of materials along with rapidly increasing prices are the biggest challenge currently.
5. Size of the contract and supply chain is currently an issue with many local groups.
6. The Current RDP was too big \$700 Million, Too long 7 Years, and too tilted to re-contracting WSP as the Program Manager. WSP won the contract twice for 12 years and has failed to deliver High Speed Rail for California. Its time to contract California locals to finish the project.
7. CHSR Track & Systems has not been resolved, and primes have not made commitments to Small Business work scope.
8. No. One item that would extend the procurement schedule would be requiring the respondents to prepare and estimate a staffing plan for the contract term.
9. None of the scope elements in the current Rail Delivery Partner contract present a challenge or barrier for teaming given the current procurement schedule.
10. [Company name omitted] is used with Delivery Partner contract based on Performance and this should not present a challenge or barrier for teaming given the current procurement schedule. For example, we are currently successfully delivering Birmingham LRT in an Alliance Model with incentivization model.  
[Company Name Omitted] has already started its partnering strategy and is ready to conclude teaming based on the decision of CAHSR on how to proceed with the Program Delivery Support Contract.



11. No, [Company Name Omitted] is highly experienced in the execution and management of large rail investment programs. We understand our strengths in areas such as Program Delivery/Management, Rail Operations, Asset Management, and Systems Engineering/Integration. We have established strong relationships with key partners including small / disadvantaged businesses and multi-disciplinary companies to facilitate a full service offering.

12. No, there should be plenty of time to for teaming.

13. No, no challenges or barriers are presented.

14. No.

15. [Company Name Omitted] believes that the challenge for CHSRA is to create a contract that requires the chosen supplier to support the program outcomes. There should be a scope as a basis for procurement but that is not exhaustive. The greater challenge to potential bidders is how they will continuously and critically assess the program needs and respond accordingly by resourcing and implementing the necessary leadership, organizational, system, and process changes to address that need.

Our concern is that a scope which is too narrow will prevent us from partnering with CHSRA to provide support and advice across the full range of the program scope. In other HSR programs, the partner model includes managing environmental assessments, regulatory consultations, consent applications, stakeholder management and communications, among many other functions. The integrated nature of these teams allows for accountability for certain decisions to be reserved to the client, but responsibility to be managed by the integrated partnership in appropriate proportions.

An example of this might be the scope element 2.10 Land and Right-of-Way (ROW), where an appropriate governance model would define the extent to which CHSRA wished to delegate to the program partner, and those activities and decisions they retain as client.

16. YES. As a small business diving through these huge contract takes a toll on us and communicating with larger corporation becomes, WHOM YOU KNOW THERE....It will takes us NOWHERE.

17. We do not see any major scope elements that would present a challenge for teaming given the current procurement schedule. We do appreciate that the Authority provided the estimated contract value for the Program Delivery Support consultant as this helps us determine our teaming approach.

Depending on what will be required in the RFQ in terms of contractual commitments to Small Businesses, there may be some scope elements that will be a challenge recognizing that there is a limited pool of Small Businesses that have the robust capability to support a program of this size and complexity. For example, in some procurements clients have required that teaming agreements (with firm dollar commitments) are in place at time of proposal submission. We also would suggest that the Authority advise on which consultants (including Small Businesses) are conflicted and prohibited from participating in the Program Delivery Support procurement.

18. The schedule is a bit tight, with only three months after the RFQ until the SOQs are due, and that time frame coinciding with the winter holidays and the end of the calendar year. If the RFQ is released in early October and the SOQs are due in late January, that would add almost a month, allowing more time for partnering with small firms and the teambuilding that is required to develop a strong SOQ.

19. We have noted above that we have had an involvement with the CHSR project. Our experience was that the 'one stop shop' approach created corporate barriers to bringing the very best expertise in the market to the CHSR program. Inevitably with such a model there is the risk of sole source acting as a barrier in engaging the very best in the market with regards to discipline/functional specialists.

In summary our view/recommendation is that the Authority go to market for a separate Program Partner (PP) and Delivery Partner (DP) and separate and distinctive PMO/Controls and Cost & Commercial lot(s).

20. There aren't any scope elements in the current Rail Delivery Partner contract that present a challenge or barrier for teaming given the current procurement schedule.

21. The only immediately perceived challenge for teaming between the current RDP and whomever wins the next contract will be accomplishing the goal to have a smooth transition between organizations. Experience with mergers/acquisitions suggests

that it is likely a minimum of 6 and potentially as long as 12 or 18 months will be needed to ensure all key activities are smoothly transferred. As the entire duration of the PDS consultant is 4+2 years, this is a substantial amount of time. One way to overcome this challenge is to have a Transition Team clearly identified that includes members of the current RDP, the new PDS consultant, the Authority and at least 2 independent participants with direct experience in Change Management or Mergers and Acquisitions to facilitate problem solving in a planned and efficient manner.

22. No.

23. No answer.

**QUESTION 3:** Based on your experience on similar programs nationwide or worldwide, what primary concerns do you have with bidding on this type of contract?

**RESPONSES TO QUESTION 3:**

1. That its just focused on price rather than value. We provide top quality service and we are not the cheapest but also not the most expensive. We provide our clients with top value. We had others that switch one year to save a few thousands and next year they retained us again. If its just based on cheapest price we would like to remove ourselves from the consideration.
2. We are a very small company. It is hard to compete with title companies who offer both title services and the escrow services.
3. Ability to provide service as a Non-Union firm. [Company Name Omitted] is a certified DBE but often precluded for being non-union.
4. Our primary concerns with bidding on this type of contract is the fact that non-union businesses do not have equal access to the project contracts. Union contractors will not hire non-union contractors even if they are more qualified, lower cost and readily available to perform the work. This is strictly due to the control of labor unions over their signatory contractors by threatening and fining if non-union contractors are hired. Project Labor Agreements have evolved to be so restrictive that a non-union contractor cannot comply. Non-union contractors pay employees scale wages and provide benefit plans; comply with public works requirements and contribute to apprenticeship programs.
5. Bandwidth for local companies to deal with the large requirements of these contract bids especially for those small and diverse businesses where they may not have that capability but can provide the service for the contract.
6. Program Management is best lead by in-house State Employees who can make the official decisions. Instead advertise for smaller specialty contracts to DVBE's Like [Company name omitted] who can design, manage, and inspect the construction of the railway and stations.

For Bidders The cost to prepare a bid is high. Provide stipends to prime and subcontractor bidders. BUY AMERICAN. Mandate a CA or USA Headquarters. Penalize WSP for failed performance on the previous contracts. Make the bids transparent. Website post the bids and scoring.

7. I'm concerned that Small Business goals will not be met.
8. Clarity of roles for the Authority and the consultant. If the roles are not clearly delineated in the RFP, the first step of the new contract should be to have a focused effort to develop a RACI so that the roles are understood by all of the parties at the outset of the project.
9. Based on past experience, large teams with ultimate authority over a contract do not allow for an equal distribution of work. We have found work is not spread across multiple firms on larger contracts and therefore S/D/DV/MBE firms do not have as much of an opportunity to participate. Smaller contracts will reinforce the use of minority firms. [Company Name Omitted] has no concerns bidding on this contract.
10. [Company Name Omitted] believes that the role of the Engineer as spelled out in the international FIDIC standard specifications, gives greater authority and responsibility to the controlling engineering entity. This heightened authority is important to control and enforce the contractual elements of the works, in particular for technical interface management, functional specifications for railway systems, operational performance and similar issues where contractual interpretation less clear cut than for civil works contracts. We would advise CAHSR to enhance the current Rail Delivery Partner contract with some authority and responsibility aspects of the Engineer as spelled out in the international FIDIC standard specifications. [Company Name Omitted] also believes that based on the uniqueness of the CAHSR program, it is important to find a fully tried and true Rail Delivery Partner, that can demonstrate delivery of international HSR projects that have been successfully delivered and are presently in operation.
11. Response:

- a) It is important to have clear demarcation of scope, roles and responsibilities between the Authority PDP, TS-1, Construction Manager and current CP/PCM contracts. So, that each party is completely clear and understands their areas of responsibility, accountability and that the interface management between those parties is clearly defined.
- b) Performance Measures – we would need to see and understand how this will be structured for this type of contract and the measures that would be applied. However, we have a number of contracts around the world where key performance indicators (KPIs) are used to incentivise us to help clients deliver better outcomes which are linked to our fees and are of material value.
- c) Staffing levels – It is going to be important for the successful delivery of the program to have the right mix of skills and resources in the key areas required to deliver a rail implementation program of this size and magnitude. The processes for bringing the necessary resources with the right skills and experience needs to be agile and be able to react quickly to the needs of the program.
- d) We fully recognize the importance of SBE involvement in this process and contract, it is therefore important that the Authority recognize and monitor the involvement of SBEs throughout the lifecycle of the contract and do not allow primes to marginalize these businesses once the contract is won and awarded.
- e) How is the handover process from the current RDP to the new PDP going to be managed, when does it start, how long does it take, what info is/can be handed over due to confidentiality issues? What happens if the incumbent doesn't play 'nice'? These are important factors which must be clearly defined and set out.  
Pricing evaluation – the current RDP team may be advantaged relating to pricing as there is limited need for a transition. We would recommend transition related costs are not included in the pricing evaluation.
- f) The term set out for this new PDP of 4+2yrs will not get the Authority to an operational train service, or even a fully tested & commissioned system – so potentially changing the PDP management at the end of that term will fall just at the point of the start of testing for the first operational segment in the Central Valley this could be present a level of risk that could result in the TS-1 and the Rolling Stock contractors seeing opportunities to take advantage of the change in management

teams.

Due to the importance of the PDP opportunity, it is expected there will be significant proposal related costs. We would recommend a pre-qualification phase to allow for a maximum of 3 or 4 bidders.

- g) The issues set out above reaffirm that the Authority needs a strong client-side partner who is experienced and capable of managing those interfaces working side by side with the Authority.
12. Our experience here is a bit limited, but our concern is that as a subcontractor on a very large team, we would get “lost” and not be able to contribute as much if there were meaningful scope splits. It would also seem that smaller contracts would have more accountability for their work and to the agency.
13. A 30% small business goal is extremely difficult and challenging. The labor market has tightened and will continue to tighten as infrastructure spending continues. The likelihood of the increased spending has also created a significant consolidation in the industry reducing the capacity of qualifying small businesses. There has been a decrease in new small businesses starting due to the risks associated with COVID. While we expect this trend to turn around, we think a 20% goal is more achievable.
14. According to our international experience, these contracts covering extensive scopes raise risks in terms of conflicts of interest for bidding other opportunities in the same program/infrastructure.  
Additionally, entrusting such overarching control to a single team would make it more difficult to smaller firms to access relevant bits of the scope. Under that scheme, the prime contractors will tend to deliver as much scope as possible themselves, making it more difficult for S/D/DV/MBE firms to participate. Therefore, a scope split through multiple contracts will open the competition and ease the engagement of small firms.
15. In addition to our comments above regarding breadth of scope, [Company name omitted] would prefer to see that the evaluation criteria are broad and inclusive enough to reward new ideas, innovations, and approaches from HSR experience across the World. It is not uncommon for the procurement to focus on design, engineering, and program controls aspects which are critical components of the scope but does not allow for the wider range of support functions required in the full

lifecycle of a mega-program from early development to handover for operations. [Company Name Omitted] often finds that the value of our contribution in terms of collaboration, small business partnerships, innovation, and similar global experience is not adequately recognized in bid evaluation and scoring processes.

Additionally, based on the current CHSRA Conflict of Interest policy, many qualified local and national consultants are working on related Third-Party projects that contain CHSRA funding. Those firms' technical qualifications, local presence, and knowledge of local code and regulatory requirements are ideal to support this program. Based on our experience with programs of similar size and complexity, typically only Prime Consultants are conflicted out.

16. Time strain to prepare the bids in 2 weeks or less. We are NOT these HUGE corporate whom they knew about the stuff before it is even announced given them the head start to be ready, and if not they have the resources and power to designate.
17. Although my firm has experience working nationwide, my bidding concerns arise primarily from my experience with this particular Program. The issues are:
  - 1) The PDS consultant's scope as defined in this presentation is very vague.
  - 2) The presentation and website suggest we request a copy of the existing RDP contract through the FOIA process to understand the scope better, but all requests made so far appear to have been rejected.
  - 3) Even if we had the existing contract, it may not be applicable to the new scope of work in the PDS RFQ.
  - 4) The organizational structure of roles and responsibilities between the Authority and existing RDP staff are undefined in the provided documents, so we wouldn't know what roles the PDS consultant would be filling and what scope and responsibilities that would entail, making it difficult to identify the proper level of FTEs to support that effort.
  - 5) Those roles and responsibilities are in constant flux, especially given the "Form to Function" (FTF) realignment.
  - 6) The Authority is not yet fully staffed for their new roles, nor trained on their new responsibilities, especially given the lack of a transition plan for the FTF effort.
  - 7) The PDS consultant would be at risk for early performance depending on the transition plan shifting responsibility from the



RDP to the PDS team. The presentation indicated there would be a 3-month transition but didn't indicate that the PDS team would have any ownership of that transition plan. Therefore, the PDS team's performance-based fee will be subject to the quality of the transition plan developed by the Authority and implemented by the Authority and the RDP team.

8) The Authority has indicated that this is a performance-based contract with some of the payment at risk, however, in multiple discussions with Authority management on their approach to metrics and key performance indicators, and how data is collected and analyzed, it appears this is not a strength for the Authority (sometimes poor metrics are chosen or are not analyzed properly), so the results of the data analysis may unfairly penalize the consultant. In the presentation provided by Darin Kishiyama on August 4, 2021:

a. He indicated that "The Authority will require the PDS consultant to play a lead role in Program delivery. The consultant will have an influential role and will have a major impact on the delivery of the Program. Given that, the Authority will use the performance-based fee to establish performance measures to support enhanced accountability. This will include items such as meaningful deliverables that are entirely within the consultant's control to potentially earn that performance-based fee."

b. Given the Form to Function organizational changes, and the transition of all key management roles to the Authority, it is unclear what deliverables are "entirely within the consultant's control". Without a certainty that such deliverables exist, any performance fee would be at risk based on Authority actions (outside the control of the consultant).

18. As this will represent a transition of an active program a key concern for all parties will be a smooth and efficient move from the RDP arrangement to any new arrangement. As we have experience elsewhere if the 'one stop shop' approach is adopted the prime will prioritize revenue over best value for the Authority and to the detriment of the supply chain including MWBEs. The introduction of a separate and independent PMO/Controls and Cost & Commercial lot(s) will create a positive tension to enable better transparency, performance management and value for money.

19. Previously when large teams have been awarded contracts with ultimate authority over a project or program, this leads to less flexibility for the agency and does not allow for an equal distribution of work.

Not only do diversity of experience and distribution of workload suffer, but this could create a flexibility and resource issue for

the agency.

Teaming partnerships are generally dominated by the senior partner and work is not spread across multiple firms on larger contracts. As a result, S/D/DV/MBE firms do not have as much of an opportunity to participate except to meet the minimum requirement. Smaller contracts would encourage, reinforce and ultimately result in improving the priority for using minority firms.

20. Building upon experience with multiple transit agencies, and with other federal agencies (FAA, FDA), some with internal quality management systems that meet or exceed worldwide standards such as ISO 9001:2015 and equivalents, one of the greatest concerns anticipated with bidding on this type of contract is the perceived lack of requirements for how the PDS consultant will accomplish the performance goals identified by the Authority. Without these requirements, which define the key strategy and objectives needed for achieving the required goals, the PDS consultant will have the full freedom, without any accountability, to define and redefine their expectations for consultants and subconsultants which may result in substantial time lost by these parties as they attempt to adjust their internal processes to meet new, and seemingly randomly changing, expectations. For the project to be successful, every party must in turn be able to commit to getting work done right, on time, the first time. When targets change as a result of changes to internal processes, it becomes very difficult for every party to effectively and efficiently redirect in a meaningful manner without losing time or compromising quality of the final outputs.
21. As DBE with over 30 years' experience working on over 75 projects over \$1 billion and 150 rail & transit projects nationwide we have found some large prime teams allow for distribution of work across multiple firms and others do not and therefore, S/D/DV/MBE firms may not have as much of an opportunity to participate. We have had a number of contracts with little or no work. Smaller contracts may reinforce the use of S/D/DV/MBE firms. We recognize more smaller contracts increase owner, prime and sub administrative costs so we recommend split out contracts be good sized. Our experience shows the best way to increase S/D/DV/MBE participation is to set high goals on contracts and for the owner to closely monitor not only overall S/D/DV/MBE compliance but contractual commitments to individual companies as well. Then owners need to actively require

primes to meet the goals and work with them to do so. Owner on line tracking payments which subs input invoices and payments such as used by SANDAG and Denver RTD or requiring primes report to the owner monthly on payments to S/D/DV/MBE also assists S/D/DV/MBE being paid on a timely basis.

22. Being respected and not undermined by the large primes.

*NOTE: This document is provided for informational purposes only pursuant to the Authority's notice on its Project Delivery Support Contract webpage.*