

PROGRAM DELIVERY SUPPORT – REQUEST FOR QUALIFICATIONS

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Director of Contract Management

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Summary of Request

- **Issuance of Request for Qualifications (RFQ) to procure a Program Delivery Support contract**
- **Provide professional services to the Authority for support and technical expertise related to the delivery of the program**



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Key Authority objectives for Program Delivery Support contract:

- Assign appropriate roles for state staff and Program Delivery Support (PDS) staff.
 - Consistent with the Authority's "Form-to-Function" review, ensure state staff and PDS staff are assigned appropriate roles and responsibilities.
 - State staff have been augmented over time to assume some roles previously performed by the current RDP.
- Reduce the number of layers/interfaces between different consultants and Authority over time.
 - The new PDS contract would include additional, optional, scope of services to provide Project and Construction Management (PCM) services for civil works.
- Scope of services to be provided under separate contracts or by state staff include: finance, leadership, information technology services, planning and sustainability, strategic communication and special projects, rail and operations delivery, safety and security specific to operations, and construction management services for track and systems and trainsets.



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Current Rail Delivery Partner (RDP)

Strategic Delivery

Real Property

Environmental Services

Infrastructure Delivery

Finance

Engineering Services

Program Management & Oversight
(PMO)

Capital Procurements and
Commercial/Claims Oversight

Quality, Process Improvement and
Document Control

Leadership

Rail & Operations Delivery

Safety and Security

Strategic Communications & Special
Projects

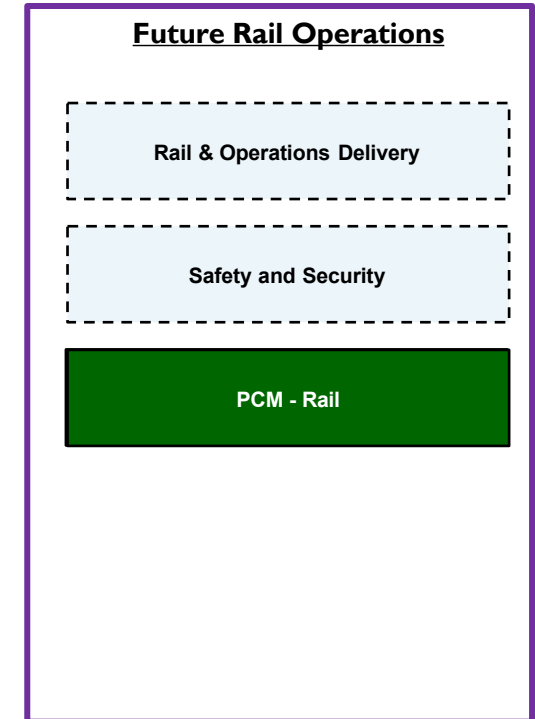
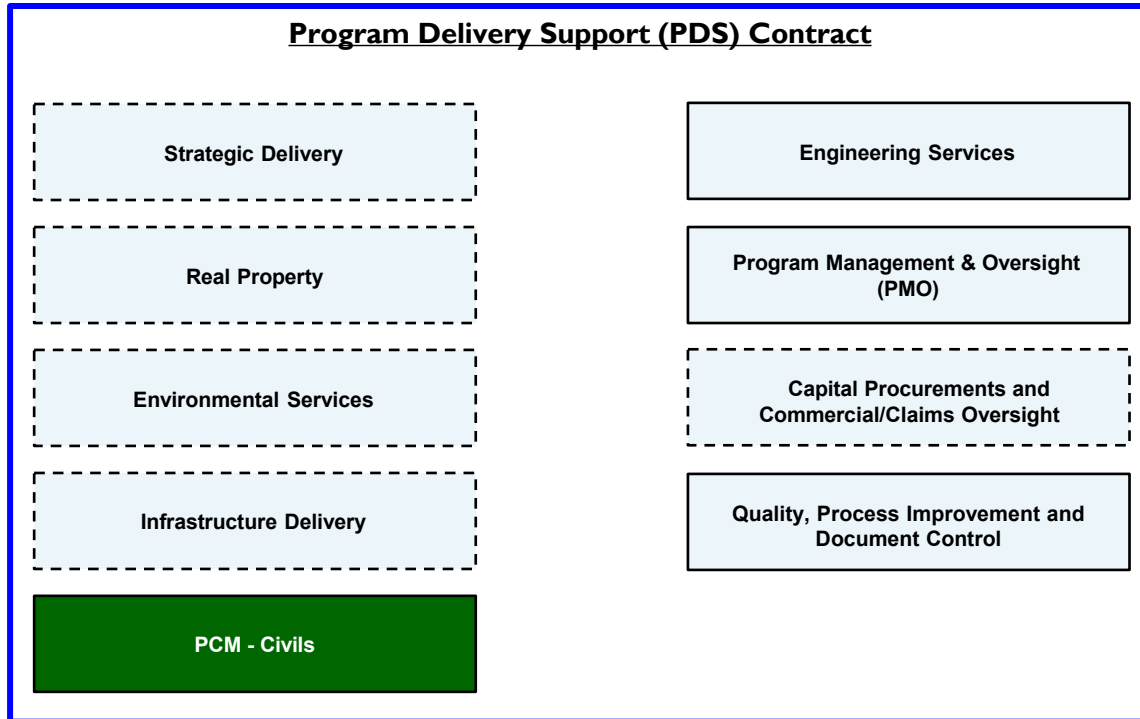
Planning & Sustainability

Information Technology



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1. Finance, Leadership and Information Technology contracts to be shifted to State staff and no longer provided by consultants.
2. Planning & Sustainability and Strategic Communications & Special Projects contracts to be procured in the future, separate from the structures identified above.
3. Delayed transition scope elements identified to be transferred at a later date but to remain with the RDP in the interim.

- PDS Contract Structure^{1,2}**
- Extended Transition for Key Activities³**
- Rail Contract Structure**
- Potential Future Scope Items**



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Market Outreach and Feedback

- From September 22 through September 24, 2021, the Authority met with several firms that had self-identified as intended primes for the upcoming PDS procurement.
- Authority participants included individuals from Authority procurement and contracts, finance, legal, and its financial advisor.

Key Takeaways

- There is strong support to include contract management, PCM for the civil works, and program and project controls into the PDS scope.
- The market was neutral (neither particularly supportive nor opposed) on the proposed unbundling of the future rail operations scope.
- Several prime teams are in process of forming, but it is unclear which teams would actually bid. Other key firms are examining contracting strategy and/or looking for partners.
- A draft of the scope of work and requirements for key personnel and additional expertise was released on December 23, 2021.
- A draft RFQ was released on January 13, 2022.



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Contract Term and Cost

- Staff recommends a PDS contract term of four years with options to extend.
- The contract value of the four-year contract is approximately \$400 million. This includes the revised scope areas and performance regime.
- This is a qualifications-based procurement; the actual contract amount will be negotiated and a recommendation presented to the Board.
- Small business, Disadvantaged Business Enterprise (DBE) and Disabled Veteran Business Enterprise (DVBE) utilization goals are also included in the requirements
 - 30% Small Business utilization goal, inclusive of 10% DBE utilization goal and 3% DVBE utilization goal

Performance Regime

- The Agreement will include a performance-based fee in order to align the PDS Consultant's performance with the Authority's performance objectives. This performance regime will be 5% of the contract cost, or \$20M.
- The Total Performance Based Fee Pool will represent the maximum at risk fee the Consultant can earn. These milestones, deliverables and the allocation of Performance Based Fee weighting will be reflected in work plans.



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Evaluation

- In addition to the traditional qualification-based submittals, the Authority will also be evaluating teams based on Program Delivery Approach and performance criteria.
- Pre-award audits will be conducted concurrently with negotiations prior to execution.
- Environmental, social and governance (ESG) efforts, which may include any environmental sustainability efforts, socio-economic equity policies, and governance policies, or a report will be incorporated as a pass/fail requirement in the Request for Qualifications
 - Offerors shall provide information on their ESG efforts which may include any efforts, policies, or reports



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| Activity | Date |
|---|------------------------------------|
| RFQ advertised on Cal eProcure | February 18, 2022 or thereafter |
| Pre-Bid Conference and Small Business Informational Workshop | March 3, 2022 |
| Statement of Qualifications Due | May 17, 2022 |
| Anticipated Notice of Proposed Award Released | June 2022 |
| Board Meeting | August 2022 |
| Contract Execution and Notice to Proceed | August 2022 |



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The costs for transition are dependent on the scope of services and deliverables.

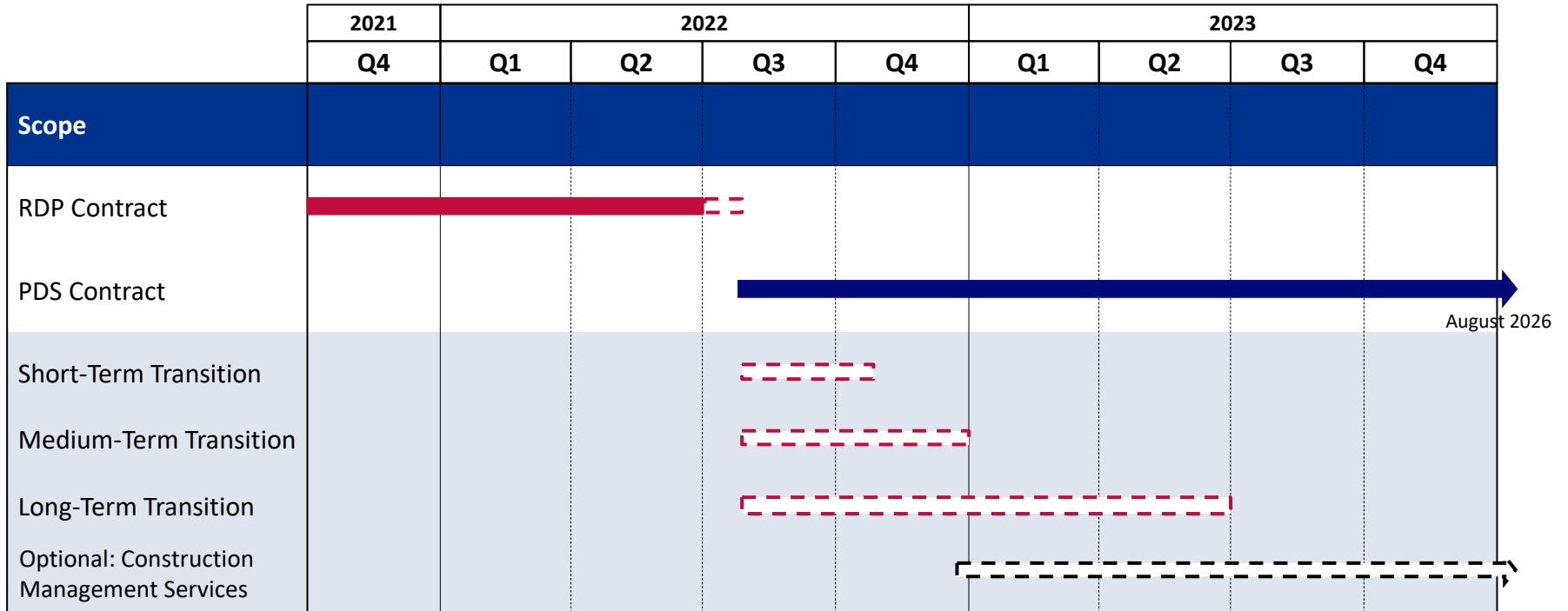
| RDP Contract | Short-Term Transition (up to 3 months) | Medium-Term Transition (3 to 6 months) | Long-Term Transition (up to 12 months) | PDS Optional |
|--------------|---|---|---|----------------------------------|
| Scope | Quality, Process Improvement and Document Control | Strategic Delivery | Infrastructure Delivery | Construction Management Services |
| | Engineering Services | Environmental Services | Commercial/Claims Oversight | |
| | Program Management Oversight | Real Property | Rail and Operations ¹ | |
| | Capital Procurements | Planning and Sustainability ¹ | | |

1. Scope to be transitioned separately to a non-PDS vendor, transition will depend on the procurement timelines.



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| Legend | |
|--------------------|-----------------------------|
| [Solid Red Bar] | RDP Contract |
| [Dashed Red Bar] | RDP Contract Extended Scope |
| [Solid Blue Bar] | PDS Contract |
| [Dashed Black Bar] | Optional PCM Transition |

Notes:

- Transitions are being discussed.
- Optional PDS Scope for Construction Management (CM) Services start date yet to be determined.



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