



California High-Speed Rail **BRIEFING: February 16, 2023 Agenda Item #4**

TO: Board Chair Richards and Board Members

FROM: Bruce Armistead, Chief of Rail and Operations Delivery

DATE: February 16, 2023

RE: Consider Providing Approval to Release a Request for Qualifications for Rail Systems Engineering Services Support

Summary

Staff recommends that the Board approve the issuance of a Request for Qualifications (RFQ) for Rail Systems Engineering Services support for a contract value up to \$73.2 million.

Background

The California High-Speed Rail Authority (Authority) is responsible for planning, designing, building, and operating the first high-speed rail system in the nation, linking California's major population centers. With the upcoming expiration of the Rail Delivery Partner (RDP) contract in mid-2023, the purpose of this procurement is to enter into an agreement with a consultant to provide professional services to the Authority for rail systems engineering services consultant support and technical expertise related to the delivery of the high-speed rail program. More specifically, the Authority must verify all requirements are met by its civil, track, systems, trainsets, and station contractors, who will each have separate and distinct responsibilities. The consultant to be hired through this procurement will support this effort.

Instead of this scope being included within the Program Delivery Support contract, staff elected to procure a new Rail Systems Engineering Services (RSES) contract. The RSES consultant will report to and be managed under the Authority's Rail and Operations Delivery Branch. The purpose of the RSES contract is to partner with a team with proven experience in rail systems engineering for program-wide support.

The scope of services will include consultant support in the areas of rail systems engineering, rail system safety and security, asset management, system integration, signaling, communications and train control, high-voltage, overhead catenary systems, track, stations, rail operations, and other specialized technical expertise for delivery of the high-speed rail system. The RSES consultant will be critical in providing input on and assessments of other Authority contractors' work, including design, environmental, stations, engineering, construction management, track, systems, and trainsets.

The transition of these technical consultant services, which are currently provided under the RDP contract, to a separate contract, will support all of the above including the procurement of track, systems, and trainsets, as well as support for certification of the high-speed rail system and the commencement of revenue passenger rail service.

Staff conducted a virtual industry forum on October 24, 2022, which was attended by over 100 participants, to discuss this proposed scope and obtain feedback. Attendance at the industry forum was not a prerequisite for participating in the procurement.

Prior Related Board Action

In authorizing Approval to award the contract for Program Delivery Support services, (Board Resolution # HSRA 22-23) and approval of the program baseline, the Board chose to move forward with a business model that includes procurement of a separate RSES contract.

Discussion

Authority staff seeks approval to issue an RFQ for procurement of RSES services. The draft RFQ, including a sample agreement and entire draft Scope of Work, is publicly available on the California State Contracts Register here: www.caleprocure.ca.gov/event/2665/HSR22-35. A summary of the main areas for the Scope of Work is provided below.

Scope of Work

The main areas for the Scope of Work are as follows:

- Provide a core group of rail engineers with expertise in traction power/catenary, signal/train control and communications, high-voltage, track, stations and station integration, rail equipment and operations to develop rail-related scope, engineering, and plans.
- Review all civil designs to ensure:
 - » Compliance with the Authority's Design Criteria Manual,
 - » Track and systems requirements are met, and
 - » That no elements would interfere with rail construction, rail maintenance and/or rail operations.
- Respond to all special requests and technical evaluations which arise beyond construction and plan reviews.
- Support the Authority program-wide in reviews of other contractors' work for impacts on the rail program, including review related to preliminary designs, environmental documents, project controls, and project and construction management.
- Support the Authority in the integration of elements of the rail system and in the management of these interfaces.
- Provide Requirements oversight support for civil, track, systems, trainsets, and stations.
- Manage risk register and system safety of all safety cases related to civil, track, systems, trainsets, and stations.

Transition

Elements of the RSES contract will include a smooth transition from the RDP contract. The RDP contract will need to be amended for additional time to accomplish the transition to the RSES consultant. Some RSES contract scope elements may require a longer transition time period to ensure the efficient and effective transition between consultants.

Small Business Requirements

As provided in the draft RFQ, the RSES contract is subject to Small Business (SB), Disabled Veteran Business Enterprise (DVBE) and Disadvantaged Business Entity (DBE) participation goals in compliance with state and federal law. The agreement between the Authority and the consultant will include the Board’s adopted 30 percent SB utilization goal, which includes a ten percent race-neutral DBE participation goal and a three percent DVBE goal.

Contract Term and Budget

The term of the RSES contract will be 5-years and 4-months (July 2023 to November 2028) and the not-to-exceed amount of the contract will be \$73.2 million.

Procurement Process

The solicitation will use the architectural and engineering (A&E) contracting method where statements of qualifications (SOQs) are submitted and selection is based on qualifications. Costs are not a factor in the selection, but fair and reasonable fees and costs will be negotiated with the top-ranked offeror prior to executing a contract. The solicitation process will be governed by Government Code section 4525 et seq., the Authority’s A&E regulations (Cal. Code Regs., Title 21, § 10000 et seq.) and the Board’s RFQ policy.

Procurement Schedule

The anticipated schedule for this procurement is intended to facilitate transition of tasks from RDP to RSES consultant as efficiently as possible.

Activity	Date
RFQ advertised on Cal eProcure	February 17, 2023
Pre-Bid Conference and Small Business Informational Workshop	March 7, 2023
SOQs due	May 2, 2023
Anticipated Notice of Proposed Award Released	May 2023
Presentation to Board: Approval to Award	July 2023
Contract Execution and Notice to Proceed	July 2023

Procurement Evaluation Criteria

The RFQ process will be managed by the Authority staff. SOQs submitted by Offerors will be reviewed to ensure that all requisite qualifications and other RFQ requirements are met.

The SOQs will be evaluated and scored by an Evaluation Selection Committee pursuant to established criteria in the RFQ, which will include the following:

1. PERFORMANCE AND EXPERIENCE

The quality, depth, and relevance of the following items:

- Offeror examples of completed projects of similar scope, magnitude, and complexity, including:
 - High-speed rail programs and
 - Project management.

- Examples of sufficient experience on past projects by Offeror or Offeror Team performing the Work required under the Scope of Work
- Offeror examples of successful partnering and collaboration in a team environment on past projects of similar scope, magnitude, and complexity, including experience with its proposed partners.
- Offeror examples of successful and repeatable past approach to delivering high-quality products with schedule constraints.

2. ORGANIZATION AND KEY PERSONNEL

The extent to which:

- The proposed project organization presents a clear and logical framework.
- The proposed team structure demonstrates a cohesive team with effective communication within its organization.
- The management approach is responsive to the RFQ requirements.
- The staffing plan conveys the proper level of response for the Work.
- The staffing plan demonstrates a high level of commitment and resource availability.
- The staffing plan addresses the full expanse of potential tasks in the Scope of Work.
- The staffing plan integrates well with the Authority's own organization structure and governance both virtually and on-site.

KEY PERSONNEL AND ROLES

The extent to which:

- The Principal-in-Charge has the individual qualifications, professional skills, and sufficient experience to effectively lead and manage the Project.
- The qualifications and professional skills of the Key Personnel appropriate for the roles assigned.
- The past experience of the Key Personnel is sufficient to demonstrate the ability to effectively deliver the Work required for the Project.

3. UNDERSTANDING OF PROJECT REQUIREMENTS

The extent to which:

- The Offeror demonstrates a thorough knowledge of the high-speed rail program.
- Sufficient evidence in the SOQ lends credibility to the commitments made.
- The Offeror demonstrates an ability on past projects (other than Authority projects) to deliver on a transition plan either as an outgoing incumbent, or as an incoming incumbent.
- The Offeror demonstrates an ability on past projects to deliver on a Mobilization Plan, Program Management Plan, and Quality Management Plan.
- The Offeror demonstrates an understanding of how this Work integrates into the California High-Speed Rail Program requirements, including any potential challenges.
- The Offeror gives clear evidence through narratives and examples of prior work that it has the capacity and resources to carry out the Work, with innovation and autonomy.

4. SMALL BUSINESS PARTICIPATION

The extent to which:

- The Offeror provides a clear commitment to meeting the Authority's 30 percent Small Business (SB) utilization goal.
- The Offeror's SB narrative clearly identifies how the Offeror will utilize SBs to achieve the Authority's 30 percent Small Business (SB) utilization goal.

At the conclusion of SOQ evaluations, the Evaluation Selection Committee will rank the Offerors on the basis of their SOQ scores. In accordance with the Board policy related to RFQs, the Authority will invite selected Offerors to

participate in discussions with the Evaluation Selection Committee. Discussions will be held with no fewer than the top three most qualified Offerors, unless fewer than three SOQs are received. Discussions will be evaluated and scored by the Evaluation Selection Committee. For each Offeror invited for discussion, the Evaluation Selection Committee will compute a final score, which is the sum of the Offeror's weighted SOQ score and weighted discussion score. Discussion evaluation criteria and final score computation will be provided in the RFQ and are as follows:

1. PRESENTATION

- Quality and appropriateness of the presentation
- Appropriate speakers relative to Project challenges
- Principal-in-Charge leadership and management of the team

2. PRINCIPAL-IN-CHARGE PARTICIPATION

- Principal-in-Charge's understanding of the challenges and requirements of the Project
- Principal-in-Charge's knowledge and understanding of the Project
- Understanding of Key Personnel of the Project challenges and requirements
- Knowledge and understanding of Key Personnel of the Work in their respective areas of expertise

3. RESPONSIVENESS TO QUESTIONS

- Quality and thoroughness of response to question number 1
- Quality and thoroughness of response to question number 2
- Quality and thoroughness of response to question number 3
- Quality and thoroughness of response to question number 4
- Quality and thoroughness of response to question number 5
- Quality and thoroughness of response to question number 6

In addition to the scored criteria, the RFQ contains a pass-fail criteria requirement related to the offeror's environmental, social, and governance (ESG) efforts, which may include any environmental sustainability efforts, socio-economic equity policies, and governance policies, or a report that conforms to certain sustainability frameworks identified in the RFQ. For purposes of this requirement, "socio-economic equity" means making opportunities and benefits available to all applicants, employees, and affected community members regardless of socioeconomic status and decision making that balances the effects of decisions on vulnerable and underserved communities and individuals regardless of income, race, ethnicity, age, gender, or other factors. The social factors of the ESG criteria complies with Article I, Section 31 of the California Constitution, which was added by Proposition 209 in 1996 and prohibits discrimination or "preferential treatment" on the basis of race, sex, color, ethnicity or national origin in public contracting.

The RFQ also includes improved language related to potential organizational conflicts of interest to assist firms in disclosing all work and/or relationships that may arise to a conflict. The organizational conflict disclosure form required from each proposer now requires signature under penalty of perjury.

At the conclusion of the entire evaluation process, the Offeror with the highest score shall be ranked number one and may be recommended to the Authority's Chief Executive Officer for contract award, and Board approval will be requested before entering into a contract.

Legal Approval

The Legal Office has reviewed this RFQ and the relevant laws, regulations and policies, and deems this RFQ to be legally sufficient for release.

Budget and Fiscal Impact

This request is to enter into a new Rail Systems Engineering Support services contract in an amount not-to-exceed \$73.2 million.

Capital Outlay Costs

The funds associated with this request include State and Federal sources, including State Proposition 1A bond funds and Cap-and-Trade funds, and federal Fiscal-Year 2010 grant funds. The request is consistent with the Expenditure Authorization approved at the December 2021 Board meeting.

Upon approval, allocated budget reserved for this work within the Expenditure Authorization will be available to the RSES contract up to \$73.2 million.

2022/23 Fiscal Year Budget

Contract Name	Contract Number	Current FY Contract Budget	Budget Change	Funding Source
Program Management	PMO2	\$3,293,031	-\$3,293,031	State and Federal
RSES	HSR-PEND-22-08-18	\$0	\$3,293,031	State and Federal
Total			\$0	

Total Program Budget

Contract Name	Contract Number/Budget Allocation	Current Total Program Contract Budget	Budget Change	Funding Source
Program Management	PMO2	\$73,225,620	-\$73,225,620	State and Federal
RSES	HSR-PEND-22-08-18	\$0	\$73,225,620	State and Federal
Total			\$0	

REVIEWER INFORMATION	SIGNATURE
Reviewer Name and Title: Brian Annis Chief Financial Officer	Signature verifying budget analysis: Signed 2/9/2023
Reviewer Name and Title: Alicia Fowler Chief Counsel	Signature verifying legal analysis: Signed 2/9/2023

Recommendations

Staff recommends that the Board approve the issuance of the RFQ for RSES services for a contract value not-to-exceed \$73.2 million, and authorize staff to make appropriate non-substantive changes to the RFQ as part of the procurement process. Staff will then return to the Board for approval of the award of the contract for these services.

Attachments

- Draft RFQ for Rail System Engineering Support services, including scope of work