

**Metropolitan Transportation Commission
Administration**

September 13, 2023

Agenda Item 3a - 23-1007

Contracts for Resilient State Route 37 Program

Subject:

Request for authorization to negotiate and enter into consultant contracts to support the Resilient State Route 37 Program:

- i. Innovative Financing and Delivery Strategies for Resilient SR 37 – Ernst & Young U.S. LLP dba Ernst & Young Infrastructure Advisors LLC (Ernst & Young) in an amount not to exceed \$1,500,000
- ii. State Route 37 Project Control and Delivery Support – William R. Gray and Company DBA Gray-Bowen-Scott (GBS) in an amount not to exceed \$1,000,000

Background:

The Resilient State Route 37 Program (Resilient SR 37) is planning a SR 37 that is resilient to sea level rise and flooding, addresses chronic traffic congestion through innovative measures such as transit and high-occupancy vehicle prioritization, expands public access, and enhances ecological connections and facilitates restoration. Resilient SR 37 is a partnership between the Metropolitan Transportation Commission (MTC), Sonoma County Transportation Authority (SCTA), Solano Transportation Authority (STA), Napa Valley Transportation Authority (NVTa), Transportation Authority of Marin (TAM), Caltrans, and Sonoma-Marín Area Rail Transit District (SMART). MTC and partners are continuing to advance both near-term and long-term improvement as part of the Resilient SR 37 Program.

MTC, on behalf of the broader partnership, received federal grant funding from the Regional Infrastructure Accelerator (RIA) Program, sponsored by the U.S. Department of Transportation to support program development. The RIA Grant funds will be used to procure finance, traffic and revenue analysis, market sounding, and stakeholder engagement.

Additionally, as projects advance through the project development and delivery processes, having robust and dedicated support to assist the Resilient SR 37 team with project control and risk management is critical to ensure success. Based on the available budget, the initial focus will be on the near-term SR 37 Sears Point to Mare Island Improvement Project.

Procurement Process:

i. Innovative Financing and Delivery Strategies for Resilient SR 37

On April 12, 2023, MTC issued a Request for Proposal (RFP) to hire a consultant to advise on developing innovative financing and delivery strategies for Resilient SR 37 through December 31, 2024, with an option to extend a contract for an additional two years. On the closing date of June 5, 2023, MTC received five responsive proposals from: 1) Ernst & Young; 2) Project Finance Advisory Limited (PFAL); 3) Jacobs Engineering Group Inc.; 4) PFM Financial Advisors LLC; and 5) Sperry Capital Inc.

A panel of MTC, Caltrans, SCTA, and NVTA staff evaluated the proposals using the following criteria, with relative weights indicated in percentages: 1) Qualifications and Team Experience (30%); 2) Understanding of the Project (30%), 3) Approach to Completing the Project (30%); and 4) Cost Effectiveness (10%).

After initial evaluations, the panel decided to place Ernst & Young and PFAL on the shortlist for further consideration. The panel interviewed both firms, and later proceeded with further discussions and a Best and Final Offer (BAFO) process to allow them to revise their proposal. After receiving BAFOs from both firms, the panel finalized their scores thereafter.

Based on the results of the proposal evaluations and interviews, the evaluation panel recommends the selection of the Ernst & Young team. Ernst & Young was determined to be the most qualified to develop innovative finance and delivery strategies and to help advance the near and long-term SR 37 projects. Ernst & Young has the combination of qualifications, experience, and approach that best meets the Resilient SR 37 project needs, including strong financial skills, experience with infrastructure and resilience projects, knowledge of Resilient SR 37 program and related considerations, and a staffing plan that can deliver the work successfully.

Ernst & Young is neither a Small Business Enterprise (SBE) nor a Disadvantaged Business Enterprise (DBE). The DBE and SBE status of Ernst & Youngs subcontractors for this contract are listed in Attachment A-1.

ii. State Route 37 Project Control and Delivery Support

On June 5, 2023, MTC issued a Request for Proposal (RFP) to hire a consultant to provide project control and delivery support for Resilient SR 37 through December 31, 2027, with an option to extend a contract for up to three additional years. Notice of the project was sent to

4,682 firms and individuals. On the closing date of July 12, 2023, MTC received two responsive proposals from: 1) William R. Gray and Company DBA Gray-Bowen-Scott (GBS); and 2) T.Y. Lin International (TYLin). A panel of MTC, Caltrans, and the Sonoma County Transportation Authority staff evaluated the proposals using the following criteria, with relative weights indicated in percentages: 1) Qualifications and Team Experience (30%); 2) Understanding of the Project (25%), 3) Approach to Completing the Project (25%); and 4) Cost Effectiveness (20%). After initial evaluations, the panel decided to place GBS on the shortlist for further consideration. The panel proceeded with further Discussions and a Best and Final Offer (BAFO) process to allow them to revise their proposal. After receiving a BAFO from GBS, the panel finalized their scores thereafter. The MTC Small Business Enterprise (SBE) Program was applied to this procurement, thereby providing firms the opportunity to receive additional bonus points during evaluation based upon the proposed percentage of SBE participation on the project. GBS received an additional 10 evaluation preference points under the Program for proposing to complete the project with 40 percent or more SBE participation.

Based on the results of the proposal evaluations, the panel recommends the selection of the GBS team. GBS has the combination of qualifications, experience, and approach that best meets the Resilient SR 37 project needs. This includes direct experience and knowledge from working on the corridor and with project partners in the past several years, and strong relevant experiences in performing similar scope of work and scale with Caltrans as an integrated team, which is critical to ensure success in project delivery.

GBS is a SBE but not a DBE. The DBE and SBE status of GBS' subcontractors for this contract are listed in Attachment A-2.

Issues:

None identified.

Recommendations:

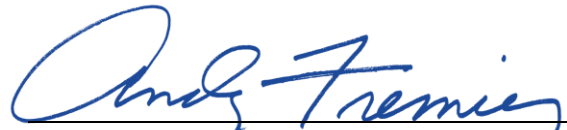
Staff recommends that the Administration Committee authorize the Executive Director to negotiate and enter into the following:

- i. A contract for Innovative Financing and Delivery Strategies for Resilient SR 37 with Ernst & Young in amount not to exceed \$1,500,000,

- ii. A contract for State Route 37 Project Control and Delivery Support with GBS in an amount not to exceed \$1,000,000

Attachments:

- Attachment A-1: Ernst & Young Infrastructure Advisors LLC and its Subcontractors' Disadvantaged Business Enterprise and Small Business Enterprise Status
- Attachment A-2: Gray-Bowen-Scott and its Subcontractors' Disadvantaged Business Enterprise and Small Business Enterprise Status
- Attachments B1 and B2: Request for Committee Approval Summary Sheets of Proposed Contracts
- Presentation Slides



Andrew B. Fremier

Attachment A- 1

Ernst & Young Infrastructure Advisors LLC Disadvantaged Business Enterprise and Small Business Enterprise Status

	Firm Name	Role on Project	DBE* Yes / No	If DBE Yes, List #	SBE** Yes / No	If SBE Yes, List #
Prime Contractor	Ernst & Young U.S. LLP dba Ernst & Young Infrastructure Advisors LLC	Primary Contractor	No		No	
Subcontractor	C&M Associates, Inc.	Subconsultant	No		No	
Subcontractor	System Metrics Group, Inc	Subconsultant	Yes	51315	Yes	23091
Subcontractor	ICF Jones & Stokes, Inc	Subconsultant	No		No	

*Denotes certification by the California Unified Certification Program (CUCP).

**Denotes certification by the State of California.

Attachment A-2

Gray-Bowen-Scott Disadvantaged Business Enterprise and Small Business Enterprise Status

	Firm Name	Role on Project	DBE* Yes / No	If DBE Yes, List #	SBE** Yes / No	If SBE Yes, List #
Prime Contractor	William R. Gray and Company DBA Gray-Bowen- Scott	Primary Contractor	No		Yes	1756291
Subcontractor	Zoon Engineering, Inc.	Subconsultant	No		Yes	58549

*Denotes certification by the California Unified Certification Program (CUCP).

**Denotes certification by the State of California.

Request for Committee Approval

Summary of Proposed Contract

Work Item No.: 1237

Consultant: Ernst & Young U.S. LLP dba Ernst & Young Infrastructure Advisors
LLC
San Francisco, CA

Work Project Title: Innovative Financing and Delivery Strategies for Resilient SR 37

Purpose of Project: Develop innovative financing and delivery strategies for the Resilient SR 37 program.

Brief Scope of Work: Consultant shall provide assist with finance, traffic analysis, market sounding, stakeholder engagement, and environmental technical support.

Project Cost Not to Exceed: \$1,500,000

Funding Source: Regional Infrastructure Accelerator Grant

Fiscal Impact: Funding is included in the FY 2023-24 MTC Budget

Motion by Committee: That the Executive Director is authorized to negotiate and enter into a contract with Ernst & Young U.S. LLP dba Ernst & Young Infrastructure Advisors LLC to provide technical services described above and in the Administration Committee Summary Sheet dated September 13, 2023 in an amount not to exceed \$1,500,000 and that the Chief Financial Officer is authorized to set aside funds for such contract.

Administration Committee: _____
Gina Papan, Chair

Approved: September 13, 2023

Request for Committee Approval

Summary of Proposed Contract Amendment

Work Item No.: 2664

Consultant: William R. Gray and Company DBA Gray-Bowen-Scott
Walnut Creek, CA

Work Project Title: Resilient SR 37 Project Control and Delivery Support

Purpose of Project: Provide project control and delivery support for the Resilient SR 37 Program.

Brief Scope of Work: Consultant shall provide project control, risk management and delivery support for the Resilient State Route 37 Program.

Project Cost Not to Exceed: \$1,000,000

Funding Source: RM3

Fiscal Impact: Funding is included in the FY 2023-24 MTC Budget

Motion by Committee: That the Executive Director is authorized to negotiate and enter into a contract with Gray-Bowen-Scott to provide technical services described above and in the Administration Committee Summary Sheet dated September 13, 2023 in an amount not to exceed \$1,000,000 and that the Chief Financial Officer is authorized to set aside funds for such contract.

Administration Committee:

Gina Papan, Chair

Approved: September 13, 2023