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Memorandum

TO: BATA Oversight Committee

DATE: January 7, 2015

FR: Executive Director

W. I. 1256

RE: Agency On-Call Bench Contracts / Revised Agency Procedures

As a follow-up to the briefing on agency on-call bench contracts and Small Business Enterprise (SBE) and Disadvantaged Business Enterprise (DBE) participation presented at the July 2014 Committee meeting, staff will provide an update which includes information on enhanced procedures for agency on-call bench contracts.

Background

At the July 9, 2014 Committee meeting, staff provided information on the seventeen on-call consultant service benches established by the Metropolitan Transportation Commission (MTC), Bay Area Toll Authority (BATA), MTC Service Authority for Freeways and Expressways (SAFE), Bay Area Infrastructure Financing Authority (BAIFA), and the Bay Area Headquarters Authority (BAHA) (the Agencies) through the issuance of Requests for Qualifications (RFQs) and Requests for Proposals (RFPs). As a follow up to questions from Commissioners, staff is providing specific information regarding SBE and DBE utilization on the Agencies' highest contract value bench procurement, the 2011 Construction Management Design Services (CM/DS) bench for which this Committee has oversight. Also, as previously communicated, as a result of the increasing number of bench contracts, MTC now plans a revision to the current procedures on contracting applicable to all the agencies to add detailed guidance and procedures on the issuance of bench contracts and awarding of contracts and task orders to firms on the bench.

Agency On-Call Bench Contracts

During staff's presentation, Commissioners expressed interest in learning more about SBE and DBE utilization under the Agencies' on-call bench contracts. The information below summarizes subconsultant utilization under the 2011 CM/DS bench procurement (see Attachment 1). This particular bench was selected because it has the highest contract value of the seventeen on-call bench contracts, and its term is nearly complete, so the analysis is comprehensive.

- 14 firms were qualified, of which 13 firms were awarded contracts.
- 56 subconsultants have been utilized, of which 28 subconsultants (or 50%) were certified SBE/DBE.
- To date, contract value of this CM/DS bench is \$36 million, of which \$8.2 million (or 23%) has been paid to subconsultants.
- Of the \$36 million, \$3.2 million (or 9%) has been paid to SBE/DBE subconsultants.

Staff is in the process of implementing contract compliance software, which will facilitate monitoring and reporting of SBE/DBE utilization for all agency contracts, including on-call bench contracts. The software will facilitate automated workflows to reduce paper processing, as well as simplify monitoring and reporting to replace the current manual process. Currently, staff estimates that the software will be implemented by March 2015. In addition, staff will include SBE/DBE

status and utilization information in all committee memoranda requesting contract approval or additional funding for contract amendments by July 2015. This will allow Commissioners to be better informed of SBE/DBE participation on all agency contracts.

Revised Procedures

MTC's procedures on contracting are in the process of being revised to include detailed procedures on the issuance of bench contracts and awards of contracts and task orders to the firms on the on-call benches. Staff anticipates that the procedures will be completed by this April. The revised procedures will be issued as a pilot for nine months to allow for additional input from staff prior to formal adoption of the following procedures.

Architectural and Engineering (A&E) Bench Contracts – A qualifications-based selection is required for all Architectural and Engineering (A&E) services. For federally funded benches, where no ranking was established as part of the procurement for the original bench, a mini-RFQ must be issued to all firms on the bench and awarded to the highest ranked available firm, assuming successful negotiation of price and other terms. A mini-RFQ is an RFQ that is sent to firms that have been “pre-qualified” by a previously issued RFQ for a specific service, for the purposes of ranking the “pre-qualified” firms for the specific project being procured. For non-federally funded benches, where no ranking was established as part of the procurement for the original bench, a mini-RFQ may be issued to any or all firms on the bench. Any mini-RFQ sent to less than every firm on the bench must be justified by a memo to the project file. In the alternative, a direct selection can be made if a memo to the project file can support that the selected firm is the most qualified to provide the required services.

All Other Bench Contracts Regardless of Funding – A mini-RFQ or RFP may be issued to any or all firms on the bench. Any mini-RFQ or RFP sent to less than every firm on the bench must be supported by a memo to the project file justifying use of the narrower group. In the alternative, a direct selection can be made, if permitted by the original procurement and a memo to project file supporting the selection is prepared.

More Formal Review Procedures – All staff memos supporting selections accomplished without a mini-RFQ or RFP sent to all firms on the bench must be approved by contracts staff prior to award. In addition, mini-RFQs or RFPs for projects exceeding \$1 million will require approval from legal and executive staff.

Next Steps

Staff will continue to encourage SBE/DBE utilization for all Agency contracts and gather staff input on the proposed changes to contracting procedures during the pilot period. After the nine month pilot is completed, contracting procedures will be revised as appropriate based on staff input gathered during the pilot and will be implemented within three months of the pilot. Beginning July 2015, staff will include SBE/DBE status information in committee memoranda, including SBE/DBE payment information in contract amendments requiring committee action to better inform Commissioners of SBE/DBE participation on agency contracts.



Steve Heminger

Attachment

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Attachment 1

2011 Construction Management/Design Services Subconsultant Utilization

Contract Term: February 1, 2011 through January 31, 2014 (see note below)

CM/DS Firms	Contract Payments					Percentage					
	Contract Total	SBE	DBE	SBE/DBE	Non-SBE/DBE	Subconsultant Total	SBE %	DBE %	SBE/DBE%	Non-SBE/DBE %	Subconsultant Total/Contract Total %
AECOM*	\$ 1,150,000	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%	0%	0%	0%
BKF Engineers	\$ 100,000	\$ -	\$ 17,059	\$ 17,059	\$ 15,479	\$ 32,538	0%	17%	17%	15%	33%
CH2M HILL	\$ 2,750,000	\$ -	\$ 264,246	\$ 264,246	\$ 222,896	\$ 487,142	0%	10%	10%	8%	18%
Ghirardelli Associates	\$ 1,570,000	\$ 971,518	\$ -	\$ 971,518	\$ -	\$ 971,518	62%	0%	62%	0%	62%
Harris and Associates (BAHA contract)*	\$ 1,700,000	\$ 236,433	\$ 236,433	\$ 472,865	\$ 43,360	\$ 516,225	14%	14%	28%	3%	30%
Harris and Associates (SAFE contract)*	\$ 210,000	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%	0%	0%	0%
HDR (BAIFA contract)*	\$ 8,950,000	\$ 570,379	\$ 411,852	\$ 982,230	\$ 2,970,873	\$ 3,953,103	6%	5%	11%	33%	44%
Hill International	\$ 540,000	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%	0%	0%	0%
HINTB*	\$ 900,000	\$ 51,463	\$ -	\$ 51,463	\$ 5,000	\$ 56,463	6%	0%	6%	1%	6%
Jacobs Engineering Group Inc.*	\$ 3,055,000	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%	0%	0%	0%
Kimley Horn	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%	0%	0%	0%
Moffatt & Nichol	\$ 280,000	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%	0%	0%	0%
PB Americas, Inc.*	\$ 3,545,000	\$ 207,025	\$ 10,863	\$ 217,888	\$ 126,367	\$ 344,255	6%	0%	6%	4%	10%
T.Y. Lin International*	\$ 4,860,000	\$ 84,048	\$ 5,204	\$ 89,252	\$ 746,277	\$ 835,529	2%	0%	2%	15%	17%
URS Corporation*	\$ 1,276,010	\$ -	\$ 650	\$ 650	\$ 671,824	\$ 672,474	0%	0%	0%	53%	53%
URS Corporation (BAIFA contract)*	\$ 2,950,000	\$ 36,642	\$ 80,440	\$ 117,082	\$ 7,778	\$ 124,860	1%	3%	4%	0%	4%
URS Corporation (SAFE contract)*	\$ 51,683,278	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%	0%	0%	0%
URS Corporation (BAHA contract)*	\$ 550,000	\$ 8,000	\$ 45,945	\$ 53,945	\$ 190,195	\$ 244,140	1%	8%	10%	35%	44%
Total	\$ 36,069,288	\$ 2,165,507	\$ 1,072,690	\$ 3,238,198	\$ 5,000,049	\$ 8,238,247	6%	3%	9%	14%	23%
total percentage of subconsultant total							26%	13%	39%	61%	

Legend

*These contracts are on-going pending completion of scope.