

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

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**MEETING DATE:** 7/10/2019

**Staff Report No.** 19-245

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**TO:** AC Transit Board of Directors  
**FROM:** Michael A. Hursh, General Manager  
**SUBJECT:** Sole Source Contract to Parsons Transportation Group, Inc

### ACTION ITEM

#### **RECOMMENDED ACTION(S):**

Consider authorizing the General Manager to execute a sole source contract with the Engineer of Record, Parsons Transportation Group, Inc. (PTG), to provide Architectural and Engineering (A&E) services for the remainder of the East Bay Bus Rapid Transit (BRT) Project.

#### **BUDGETARY/FISCAL IMPACT:**

Staff developed an independent cost estimate (ICE) based on the average costs of design support services during construction (DSDC), as-built drawings, commissioning, and closeout tasks. The ICE will be used to evaluate the contractor's proposed pricing. The total estimated cost of this sole source contract based on the independent cost estimate (ICE) will not exceed \$4,000,000. The final cost is subject to negotiation, in combination with an in-depth cost analysis of the contractor's costs, profit and rates.

#### **BACKGROUND/RATIONALE:**

PTG is the Engineer of Record (EOR) for the BRT project. The BRT project is currently in the final stages of construction. The current contract for BRT architectural and engineering services was found to have several deficiencies identified during the Procurement Systems Review (PSR) performed by the Federal Transit Administration in September 2018. After consultation with the FTA, in order to address these deficiencies, the District's BRT Project and Procurement Departments decided to let the current contract expire and replace it with a new sole source contract.

The proposed sole source contract with PTG will run from August 1, 2019 through December 31, 2020. The work in this contract will cover all of the remaining architectural and engineering work required for the final phase of the BRT project. Specifically, this contract will include, but is not limited to, final project design modifications, stakeholder coordination and meetings, utility coordination and meetings, submittal reviews/recommendations, addressing Requests for Information (RFI), preparing final as-built drawings and participating in startup, testing, and close out activities.

The BRT project is on schedule and on budget to meet the forecasted project completion date of December 2020 as per the approved Project Completion Plan (PCP). This sole source contract is necessary to continue DSDC and close-out activities for a successful project completion. Staff has been satisfied with the work performed by PTG and requests the Board to authorize the General Manager to award a sole source contract

with PTG that will begin August 1, 2019 and expire by December 31, 2020 and with a not to exceed value of \$4,000,000.

While the project is scheduled for substantial completion in December 2019 the EOR will need to be available after substantial completion to finish as-built drawings, lead closeout meetings, and respond to any unforeseen design or engineering issues along the way.

#### **ADVANTAGES/DISADVANTAGES:**

The primary advantage of issuing a sole source contract with PTG, Inc. is that it will ensure continuity of design and engineering services within a federally compliant contract as required by the PSR.

The disadvantages of proceeding with this proposed process is the extra work required to issue a nearly identical contract for design services to the currently awarded Parsons Transportation Group, Inc. However, the current contract has been found deficient by the FTA and will run out of budget capacity by September.

#### **ALTERNATIVES ANALYSIS:**

If the District were to proceed with a full and open competitive solicitation process instead of the proposed sole-source contract, the project completion date would be significantly delayed. Moreover, this would create a gap in services during the time needed to solicit and award a new contract. Additionally, it is possible that a firm other than Parsons could be awarded the contract, thereby creating numerous challenges, such as assuming responsibility for the existing design work prepared by others. This circumstance alone would likely deter potential bidders from participating and could leave the District without an engineer of record. Staff does not recommend this option as it will delay the BRT project and result in a significant increase in cost and risk.

#### **PRIOR RELEVANT BOARD ACTION/POLICIES:**

SR 11-073: Consider Authorizing Issuance of a Request for Qualifications and Proposal to Provide Design and Engineering Services for the East Bay Bus Rapid Transit Project.

SR 11-073a: Consider Award of Contract to Parsons Transportation Group for Preliminary Engineering and Design Services Associated with the East Bay Bus Rapid Transit.

SR 11-073b: Consider authorizing the General Manager to execute an Amendment to Parsons Transportation Group Inc. (PTG) contract 2011-177 for an extension of time and additional funds in support of the East Bay Bus Rapid Transit (BRT) Project.

SR 17-132: Consider approving the East Bay Bus Rapid Transit Project Completion Plan (PCP) inclusive of the financed funding plan for submittal to the Federal Transit Administration.

#### **ATTACHMENTS**

None

#### **Approved by:**

Gene Clark, Director of Procurement and Materials

**Reviewed by:**

Denise C. Standridge, General Counsel

Claudia L. Allen, Chief Financial Officer

Chris Andrichak, Director of Management and Budget

Ramakrishna Pochiraju, Executive Director of Planning & Engineering

David Wilkins, Director of Bus Rapid Transit

Phillip Haley, Contracts Compliance Administrator

**Prepared by:**

Michael Silk, Senior Contracts Specialist