Contracting Opportunities Update

November 16, 2018

Construction Authority’s Proposed Plan Requires Six-Month Delay in Design-Build Contract (RFP C2002) Award

Proposed Plan Responds to Unfavorable Economic Conditions Impacting Bid Prices

Earlier this week, the Foothill Gold Line Construction Authority announced a six-month delay in award of the Glendora to Montclair Alignment Contract (RFP C2002) to allow time for environmental review of a proposed plan to shift the contract option within the Alignment Contract from Claremont to La Verne. No significant change to the scope of the project is contemplated at this time, although the need to secure additional funding in order to complete the project to Montclair is much greater.

The need for the proposed plan follows receipt of bids by the four teams competing for the design-build contract. All four bids reflected a significant unfavorable shift in market conditions since the agency completed the project estimate two years ago. When added with current unknowns and risk within the construction industry locally and nationally, these factors resulted in bids for the long-term construction project coming in hundreds of millions of dollars over the project estimate and secured funding available.

Shifting the contract option to La Verne would allow the Construction Authority to deliver the first eight miles of the 12.3-mile light rail extension in 2024 - two years ahead of the original schedule. If the Construction Authority is able to exercise the contract option by securing the additional funding necessary to complete the project to Montclair, completion to Montclair could occur between 2026 to 2028, depending on when the contract option is exercised.

Importantly, the proposed plan is subject to environmental review and could be delivered within the currently ongoing procurement. The proposed plan maintains the same scope of the project and merely shifts the contract option included in the Alignment Contract to La Verne; thus continuing to allow the project to Montclair to be delivered within the ongoing procurement if sufficient funding is secured. To that end, in the coming months the Construction Authority will be requesting revised bids from the teams within the Competitive Range (see announcement below) that separate the price to build the full project to Montclair, as well as a price to build the first eight miles to La Verne.

In order to conduct the necessary environmental review associated with the La Verne Station becoming a possible interim terminus if full funding is not secured in time to build to Montclair during this contract, it is expected that any award of the design-build contract would be delayed by six months, until July 2019 (see Procurement Update/Timeline for more information).

Procurement Update/Timeline

Below are slides presented to the Construction Authority board of directors earlier this week. They provide an update on the procurement process for the Glendora to Montclair Alignment Contract (RFP C2002), including a timeline for the process moving forward.

This Contracting Opportunities E-News Update was originally sent out on November 16, 2018.
Two-Step Procurement Process (RFP C2002)

- **STEP 1: Request for Qualifications**
  February 2018 Board approved shortlist of most qualified teams (alpha order):
  - AECOM | Stacy and Witbeck JV
  - Herzog Rados Lane, a Joint Venture
  - Kiewit-Parsons, a Joint Venture
  - San Gabriel Valley Transit Partners (STP), a Joint Venture of Fluor & Ames

- **STEP 2: Request for Proposals**
  - May 2018 Issued RFP
  - June – August 2018 Interactive Process:
    - Issued three addenda
    - Responded to nearly 500 questions through Q&A process
    - Engaged in one-on-one meetings regarding possible ATCs (alternative technical concepts) as well as price-focused risk reduction

Two-Step Process (RFP C2002), Continued

- **STEP 2: Request for Proposals (continued)…**

  - September 2018 Received *Initial* Proposals
  - Evaluation Process - Competitive Range Determined (in alphabetical order):
    - AECOM | Stacy and Witbeck JV
    - Kiewit-Parsons, a Joint Venture
  - Discussions with Competitive Range
  - Receive *Revised* Proposals
  - Evaluation Process - Board Considers Award
  - Notice to Proceed
Construction Authority Announces Competitive Range

Pursuant to Section 4.3 of the Instructions to Proposers (ITP) for RFP C2002 Phase 2B Alignment Design-Build Project, the Authority has determined to engage in Discussions, as such term is defined in the ITP, with a competitive range of Proposers. The Authority has determined that the following two Proposers are in the competitive range (in alphabetical order):

- AECOM | Stacy and Witbeck JV; and
- Kiewit-Parsons, a JV.

The Authority has determined that the following two Proposer are excluded from the competitive range on the basis set forth in ITP Section 4.3(C) (in alphabetical order):

- Herzog Rados Lane, a Joint Venture; and
- San Gabriel Valley Transit Partners (STP), a Joint Venture of Fluor & Ames.