

**Metro**Los Angeles County  
Metropolitan Transportation AuthorityOne Gateway Plaza  
Los Angeles, CA 90012-2952213.922.  
metro.net**CONSTRUCTION COMMITTEE  
EXECUTIVE MANAGEMENT COMMITTEE  
October 16, 2014****SUBJECT: METRO PILOT BUSINESS SOLUTION CENTER FOR THE  
CRENSHAW/LAX TRANSIT CORRIDOR****ACTION: AWARD CONTRACT****RECOMMENDATION**

Authorize the Chief Executive Officer (CEO) to award a two-year (2) with two (2) one-year options, firm fixed price Contract No. PS2130-3403 to Del Richardson & Associates, Inc. (DRA), pending negotiations, for professional services to operate the Metro Pilot Business Solution Center for the Crenshaw/LAX Transit Corridor in the amount not-to-exceed \$996,144 (\$646,462 for the two-year base period and \$349,682 for the two one-year options).

**ISSUE**

On July 24, 2014, Metro's Board issued Motion 79 that authorized the CEO to establish a Metro Pilot Business Solution Center (BSC) to provide hands-on case management services and business assistance to small businesses along the Crenshaw Corridor between 48<sup>th</sup> and 60<sup>th</sup> Streets during the four year term of the Crenshaw/LAX Transit Line Project.

The establishment of the Metro Pilot BSC is through the issuance of a solicitation to procure a service provider (Contractor) to operate the Pilot BSC. This contract award will enable Metro to meet the objective of securing a service provider to operate the Pilot BSC.

**DISCUSSION**

In early August 2014, staff implemented an aggressive schedule for the development of the Statement of Work (SOW) for the Pilot BSC solicitation followed by the release of a formal Request for Proposal on August 20, 2014 for Metro's Pilot BSC for the Crenshaw/LAX Transit Corridor.

The objective of the solicitation was to procure a Contractor to operate the Pilot BSC inclusive of: 1) hands-on case management services for small and micro businesses located between 48<sup>th</sup> Street and 60<sup>th</sup> Street of the Crenshaw Corridor, 2) access to services via multiple avenues including a field and virtual (web based) presence, and 3) an outreach program for small and micro businesses on the Corridor to facilitate the utilization of available services and resources. The Contractor shall perform case management and outreach functions inclusive of, but not limited to expert business advice and technical assistance including access to business resources.

### **DETERMINATION OF SAFETY IMPACT**

The Pilot BSC will have no impact on safety of Metro's patrons or employees.

### **FINANCIAL IMPACT**

Metro staff has identified Proposition A 35% funds as the most suitable funding source to support the implementation and administration of the Pilot BSC. Therefore, Metro will fund the Pilot BSC's initial year activities for FY15, including future activities for fiscal years 2016, 2017 and 2018 for the total not-to-exceed amount over the four years. Adjustments will be made to the FY15 budget to support the initial year activities and budgeted accordingly for the future three-year term pilot program.

### **Impact to Budget**

The source of funds for this project will be from Proposition A 35%. Upon review of operating and project source of funds, the identified funds were deemed most suitable. These funds are also eligible for bus and rail operating expenditures.

### **ALTERNATIVES CONSIDERED**

1. Utilizing Metro staff to operate the Pilot BSC. This alternative is not recommended because Metro does not have the required staffing availability, dedicated resources or expertise to operate the Pilot BSC and perform the services as outlined in the SOW.
2. Not authorizing the CEO to negotiate, award and execute the contract. Staff is not recommending this alternative because it will affect Metro's ability to provide the identified services to small and micro businesses along the Crenshaw Corridor between the 48<sup>th</sup> and 60<sup>th</sup> Streets during the four-year term of the Crenshaw/LAX Transit Line Project.

### **NEXT STEPS**

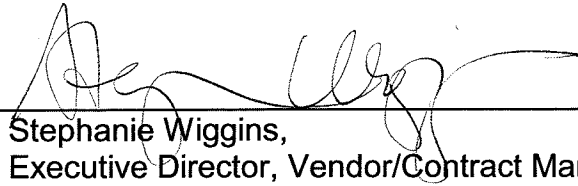
1. Upon Board approval and negotiations, staff will execute the contract with DRA.
2. In accordance to Board Motion 57 dated September 18, 2014, Metro staff will report back to the Board of Directors on the contract modification to the scope of

work and services to be performed by the Contractor in relation to the administration of the Pilot Business Interruption Fund.

**ATTACHMENTS**

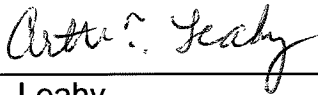
- A. Procurement Summary
- B. Motion 57, Directors Molina, Dupont-Walker, Ridley-Thomas and Garcetti

Prepared by: Shalonda Baldwin, Deputy Executive Officer of Project Management  
Vendor/Contract Management, (213) 922-4488



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Stephanie Wiggins,  
Executive Director, Vendor/Contract Management



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Arthur T. Leahy  
Chief Executive Officer

## PROCUREMENT SUMMARY

### METRO PILOT BUSINESS SOLUTION CENTER FOR THE CRENSHAW/LAX TRANSIT CORRIDOR

<b>1.</b>	<b>Contract Number:</b> PS2130-3403	
<b>2.</b>	<b>Recommended Vendor:</b> Del Richardson & Associates, Inc.	
<b>3.</b>	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
<b>4.</b>	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> August 20, 2014	
	<b>B. Advertised/Publicized:</b> August 18-21, 2014	
	<b>C. Pre-proposal/Pre-Bid Conference:</b> August 26, 2014	
	<b>D. Proposals/Bids Due:</b> September 15, 2014	
	<b>E. Pre-Qualification Completed:</b> September 22, 2014	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> September 24, 2014	
	<b>G. Protest Period End Date:</b> October 28, 2014	
<b>5.</b>	<b>Solicitations Picked up / Downloaded:</b>  67	<b>Proposals Received:</b>  1
<b>6.</b>	<b>Contract Administrator:</b> Lily Lopez	<b>Telephone Number:</b> (213) 922-4639
<b>7.</b>	<b>Project Manager:</b> Shalonda Baldwin	<b>Telephone Number:</b> (213) 922-4488

#### **A. Procurement Background**

This Board Action is to approve Contract No. PS2130-3403 issued to operate a Pilot BSC along the Crenshaw/LAX Transit Corridor for the duration of the Crenshaw/LAX line construction. The Contractor is to operate the Pilot BSC inclusive of: (1) hands-on case management services for small and micro businesses located between 48<sup>th</sup> Street and 60<sup>th</sup> Street of the Crenshaw Corridor, 2) access to services via multiple avenues including a field and virtual (web based) presence, and 3) an outreach program for small and micro businesses on the Corridor to facilitate the utilization of available services and resources.

The RFP was issued in accordance with Metro's Acquisition Policy and Procedure, the contract type is Firm Fixed Price.

Two (2) amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on August 27, 2014 provided documents related to the Pre-Proposal conference convened on August 26, 2014, extended the proposal due date, and provided responses to questions received;
- Amendment No. 2, issued on August 29, 2014 provided responses to questions received.

A total of one (1) proposal was received on September 15, 2014. Based on the market survey performed, adequate competition exists because the solicitation was performed in an environment where all proposers believed that competition was available and there was good participation at the pre-proposal conference by more than one qualified firm. Reasons given for not submitting proposals include: time constraints and unable to provide a competitive proposal.

**B. Evaluation of Proposals**

A total of one (1) proposer responded to this solicitation. A Proposal Evaluation Team (PET) consisting of staff from Metro’s Diversity & Economic Opportunity, Community Relations, Risk Management, and Vendor/Contract Management departments were convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal was evaluated based on the following evaluation criteria and weights:

- |   |     |
|---|-----|
| • Service Provider Experience And Qualifications    | 35% |
| • Service Provider Experience With Similar Services | 5%  |
| • Project Understanding and Approach                | 30% |
| • Business Finance Support Experience               | 5%  |
| • Partnering with Small Business                    | 10% |
| • Price   | 15% |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar professional services procurements. Several factors were considered when developing these weights, giving the greatest importance to the service provider experience and qualifications.

On September 23, 2014, the PET met to review the results of the evaluations and decided to proceed with interviews.

On September 30, 2014, the single proposer was interviewed. The firm’s project manager and key team members presented their team’s qualifications, experience with required tasks, and discussed their approach to successfully meet Metro’s requirements.

**Qualifications Summary of Recommended Firm**

DRA, 510 S. La Brea Avenue, Inglewood, CA 90301.

DRA's proposed workplan and previous experience with Metro projects demonstrate a strong understanding of the SOW and their team's ability to perform.

1	FIRM	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>DRA</b>				
3	Service Provider Experience and Qualifications	74.51	35%	26.08	
4	Service Provider Experience with Similar Services	80.00	5%	4.00	
5	Project Understanding and Approach	81.00	30%	24.30	
6	Business Finance Support Experience	77.20	5%	3.86	
	Partnering with Small Business	10.00	10%	10.00	
7	Price	15.00	15%	15.00	
8	<b>Total</b>		<b>100%</b>	<b>83.24</b>	<b>1</b>

**C. Cost/Price Analysis**

The final negotiated amount will comply with all requirements of Metro's Acquisition Policy and Procedure, audit performed by Metro's Management and Audit Services Department (MASD), technical evaluation, independent cost estimate, negotiations, and cost analysis will be utilized to determine a fair and reasonable cost before the contract is executed.

Proposer Name	Proposal Amount	Independent Cost Estimate	Negotiated
DRA	\$996,143.57	\$784,000	TBD

**D. Background on Recommended Contractor**

The recommended firm, DRA located in Inglewood, California and founded in 1998, provides real estate and personal property acquisition, relocation and community engagement assistance services to the public, profit and non-profit agencies. DRA has worked on Metro projects and has performed satisfactorily.

**E. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 15% Small Business Enterprise (SBE) goal for this solicitation. Del Richardson & Associates exceeded the goal by making a 66.97% SBE commitment.

<b>SMALL BUSINESS GOAL</b>	<b>15% SBE</b>	<b>SMALL BUSINESS COMMITMENT</b>	<b>66.97% SBE</b>
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	<b>DBE/SBE Subcontractors</b>	<b>% Committed</b>
1.	Del Richardson & Associates	62.98%
2.	Turning Point Communications	3.98%
	<b>Total Commitment</b>	<b>66.97%</b>

**F. All Subcontractors Included with Recommended Contractor's Proposal**

	<b>Subcontractor</b>	<b>Services Provided</b>
1.	Vermont Slauson Economic Development Corporation	Case Management and Outreach
2.	Urban Design Center	Development and management of web portal and coordination of referral services
3.	Turning Point Communications	Business counseling



**Amendment to Item 57**

**Motion by Directors Molina, Dupont-Walker, Ridley-Thomas and Garcetti**

**Business Interruption Fund**

September 18, 2014

**WE, THEREFORE, MOVE that the Board direct the Chief Executive Officer to:**

1. Establish a pilot program for a special **Business Interruption Fund** for mom and pop businesses located along the Crenshaw Line, within the Little Tokyo area along the Regional Connector, **and Phase I of the Purple Line Extension** immediately.
  
2. Define mom and pop businesses as those **meeting the following criteria:**
  - a. Having 25 employees or fewer;
  - b. **A minimal operational history of two years;**
  - c. **Being in good standing with local, state and federal tax requirements; and**
  - d. **Able to produce financial records (i.e. gross receipts, business license information, pay roll taxes and other pertinent financial information) demonstrating the loss of business revenue directly related to the period of construction disruption.**
  
3. Conduct a baseline survey of all businesses within the project areas.

4. Identify and designate \$10,000,000 of Metro funds annually to be used for the implementation of the Business Interruption Fund. Funds shall be distributed through the project's administration and/or respective Business Solution Center.
5. Each business should be eligible for a maximum of \$50,000 annually, not to exceed 60 percent of their annual business revenue loss.
6. Participation in the program would release MTA and the general contractor from further liability claims for business loss unrelated to specific incidents of damage and would be voluntary.
7. Direct the Chief Executive Officer to work with Los Angeles County and local cities to seek all appropriate legislation that would temporarily reduce or waive taxes and fees imposed on impacted businesses during transit-related construction activities and work with the Los Angeles County Assessor's Office to immediately initiate outreach activities to businesses impacted by transit-related construction activities in order to inform them of the Assessor's Office Proposition 8/Decline-in-Value Review process.
8. Report back to Construction Committee monthly, beginning in October, with an implementation plan and report back to the Board of Directors in September 2015 with an evaluation of the program including utilization levels and recommendations for program modification.