



ITEM ID: 2023-199-0

TRANSMITTAL DATE: May 19, 2023

MEETING DATE: May 26, 2023

TO: Board of Directors

FROM: Arnold Hackett, Chief Financial Officer

SUBJECT: Contract No. MS318-23 - Railroad Flagging, Training, Inspection & Right of Entry Agreement Services - Recommendation to Award - RailPros Field Services, Inc. (RailPros)

Issue

The Authority needs to continue to provide Railroad Flagging, Training, Inspections and Right of Entry Agreement Services on an on-call basis to projects within and adjacent to the railroad right of way.

Recommendation

CONTRACTS, OPERATIONS, MAINTENANCE, AND SAFETY COMMITTEE RECOMMENDED (4-0) the Board authorize the Chief Executive Officer to award Contract No. MS318-23, Railroad Flagging, Training, Inspection & Right of Entry Agreement Services to RailPros and approve a not-to-exceed contract funding authorization amount of \$41,000,000 (\$24,600,000 for the base and \$8,200,000 for each of the two option years) for the term of the contract. The term of the contract shall be a three-year base term with two one-year options that may be exercised at the sole discretion of the Chief Executive Officer. Work under this contract will be authorized through the Work Order process on an as needed basis. The award is subject to resolution of any timely filed protest.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment(s) of:

- **Safety is Foundational:** We will stay on the leading edge by deploying new

technologies and processes to enhance the safety and security of our riders, our fellow employees, and the communities we serve. Railroad flagging is required to provide a safe passage on to the Authority's right of way.

Background

The Authority manages and oversees a variety of ongoing projects, including third-party recollectable projects, that require flagging, inspection and safety training for work conducted on or near the railroad right of way. Railroad flagging, training, and inspection services ensures that all safety requirements are met in accordance with Authority standards, railroad engineering requirements, FRA regulations, CPUC clearance and other requirements to protect the right of way and train service. Railroad flagging, training, inspection, and oversight services are currently provided under Contract MS274-18, which will expire on July 31, 2023.

Contract MS318-23 will replace the expiring contract and will add Right-of-Entry permitting services. Historically, Authority staff has reviewed applications and issued Right-of-Entry agreements for third-party recollectable projects seeking to conduct work on or near the rail right-of-way. This process requires support from multiple departments to provide engineering reviews, collect deposit funds, issue on-call work orders, process invoices, and provide contract management and oversight. By transitioning the right of entry permit process into the contract, this will allow the Authority to modernize business practices, improve efficiencies, and reduce administrative processes for right of entry third-party recollectable projects. This change is anticipated to improve response times for right-of-entry applications, streamline processing of invoices, and improve the Authority's oversight capabilities.

There are two mechanisms in which services under Contract MS318-23 are authorized. The first mechanism is through on-call work orders issued by the Authority for budgeted capital projects, rehabilitation projects or third-party projects. The second mechanism is through parallel agreements established by the contractor and Right-of-Entry Applications for services and terms consistent with Contract MS318-23.

Discussion

On January 12, 2023, the Authority issued a Request for Proposals (RFP) No. MS318-23 on PlanetBids. The solicitation was published in newspapers covering the five member counties, as well as in newspapers specializing in diversity. Notices were also emailed to firms registered on PlanetBids. On January 19, 2023 a Pre-Proposal Conference was held with six firms in attendance. The Authority received and answered 36 questions.

The RFP included the following Evaluation Criteria:

- A. Qualification of Firm - 25 points
- B. Qualification of Staff and Project Organization - 20 points
- C. Understanding and Approach to Work - 25 points
- D. Interview - 10 points
- E. Cost - 20 points

A minimum technical score of 49 points was established, based on the first three evaluation criteria (A-C). Only proposers that met the minimum technical score would be invited to

interview with the Authority's Technical Evaluation Committee.

Two proposals were received on the submission due date of March 3, 2023, one from Jacobs Project Management Co., the other from RailPros Field Services, Inc.

Based upon the Technical Evaluation Committee's initial scoring of evaluation criteria A-C, both proposers met the minimum technical score and therefore proceeded to the interview phase.

Vendor	Initial Technical Scoring
Jacobs	54.4
RailPros	56.6

Following the interviews, the Technical Evaluation Committee scored the interviews and were given the opportunity to revise their scoring for criteria A-C based on information gleaned from the interviews. The cost proposals were then scored based on the calculation formula published in the RFP. The final scores are as follows:

	Jacobs Project Management Co.	RailPros Field Services, Inc.
Technical Score	54.4	56.6
Interview Score	7.2	8.2
Cost Score	17.2	20
Total Score	79.3	84.8

RailPros was found to be the highest ranked proposer when combining technical, interview and cost factors, with a total score of 84.8. RailPros base price proposal for the contract term was \$41,990,148.71, which was higher than the Authority's Independent Cost Estimate of \$31,225,597.18. However, after the first round of negotiations, RailPros revised its price proposal to \$41,068,722.39, with no change to the Scope of Work.

Disadvantaged Business Enterprise (DBE) Requirements

A contract specific goal of 9.15% has been established as the DBE requirement. RailPros has committed to meet this goal.

Budget Impact

The amounts for which contract authority is requested are included in the Adopted Operation Budget for FY2023-24 (\$60,000), previously Adopted Capital Budgets and Third-Party Recollectable agreements. A summary of forecasted on-call work is included in Attachment A. Funding for subsequent years will be requested through the annual budget. There is no financial commitment with respect to subsequent years and work will be authorized only if funding is available.

Next Steps

Upon Committee and Board approval, staff will negotiate the final contract, execute the contract, and staff will provide a Notice to Proceed to RailPros Field Services, Inc. to begin services for Railroad Flagging, Training, Inspection & Right of Entry Agreement Services.

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Approved by: Arnold Hackett, Chief Financial Officer

Attachment(s)

[Attachment A - Three-Year Forecast of On-Call Work](#)