

PROCUREMENT SUMMARY

**QUALITY MANAGEMENT CONSULTANT (QMC)
PS54007**

1.	Contract Number: PS54007	
2.	Recommended Vendor: PQM, Inc.	
3.	Type of Procurement (check one): <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	
4.	Procurement Dates:	
	A. Issued: September 21, 2018	
	B. Advertised/Publicized: September 22, 2018	
	C. Pre-Proposal Conference: October 3, 2018	
	D. Proposals Due: November 6, 2018	
	E. Pre-Qualification Completed: 01/30/2019	
	F. Organizational Conflict of Interest Review Completed by Ethics: 12/5/18	
	G. Protest Period End Date: March 21, 2019	
5.	Solicitations Picked up/Downloaded: 130	Proposals Received: 6
6.	Contract Administrator: Rafael Vasquez	Telephone Number: 213.418-3036
7.	Project Manager: Herman Gallardo	Telephone Number: 213.922-1385

A. Procurement Background

This Board action is to approve Contract No. PS54007 Quality Management Consultant Program Services (QMC), to supplement Metro's Program Management's Office of Quality Management in providing the following services: Development of an ISO 9001:2015 Quality Management Systems-Requirements Compliant Quality Management Oversight (QMO) Program, Management of Project Database Requirements, Implementation of the QMO Program, Internal Quality Audit of Project Management Process, Trend Analysis and Feedback, Deployment of Owner's Verification Testing (OVT) Database Tool, Support for Project Closeout and Acceptance, and Implementation of Quality Improvement Methodologies for Overall Program and Project Continuous Improvement. The QMC will furnish all labor, material, and other related items required to perform the services on a contract Work Order basis under specific Task Order and Period of Performance. Board approval of contract awards are subject to resolution of any properly submitted protest.

The Request for Proposals (RFP) was a competitively negotiated based procurement process, performed in accordance with Metro Procurement Policies and Procedures. This process required each of the responding firms' qualifications to be evaluated on the technical requirements and approaches as described in the Scope of Services. The weightings for the technical factors and the cost proposal were included in the RFP. The proposing firms were rated accordingly and the results are below as shown. The RFP was issued with a DBE goal of 22%. The contract type is a cost plus fixed fee. The Contract is for a term of seven (7) years with three (3) one-year options.

Two amendments were issued during the solicitation phase of the RFP:

- Amendment No. 1, issued on October 8, 2018, extended the proposals due date from October 23, 2018 to November 6, 2018.
- Amendment No. 2, issued on October 12, 2018, clarified Form 60 where the positions listed in the Cost of Pricing Summary were required for evaluation purposes.

A total of six (6) proposals were received on November 6, 2018, from the following firms:

- ABA Global, Inc.
- Alta Vista Solutions
- ATSER LP
- MARRS Services, Inc.
- PQM, Inc.
- Trident CPM Consulting

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro Program Management Capital Improvements Projects, Office of Quality Management, and Safety, Risk & Asset Department was convened and conducted a comprehensive evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and the associated weightings:

- | | |
|---|------------|
| • Experience and Capabilities of the Firms on the Consultant's Project Team | 25 percent |
| • Key Personnel's Skills and Experience | 20 percent |
| • Effectiveness of Management Plan | 20 percent |
| • Understanding of Work and Appropriateness of Approach for Implementation | 25 percent |
| • Cost Proposal | 10 percent |

The evaluation criteria were appropriate and consistent with criteria developed for other, similar Professional Service procurements. Several factors were considered when developing the weightings, giving the greatest importance to the Experience and Capabilities of the Firms on the Consultant's Project Team, and Understanding of Work and Appropriateness of Approach for Implementation.

The PET evaluated the six (6) written qualification proposals from November 2018 through early December 2018. Of the six (6) proposals received, four (4) were determined to be within the competitive range. The four firms are listed below in alphabetical order:

1. Alta Vista Solutions
2. ATSER LP
3. MARRS Services, Inc.
4. PQM, Inc.

ABA Global, Inc. and Trident CPM Consulting proposals were considered to be outside the competitive range and excluded from further consideration. Both proposers were notified of the determination.

On December 11 and 12, 2018, the PET met with the four (4) Proposers for oral presentations. The firms were given the opportunity to present on: 1) Experience and Capabilities of the Firms on the Consultant's Project Team and 2) Understanding of Work and Appropriateness of Approach for Implementation.

The proposing firms had the opportunity to present their proposed project managers, key personnel and some of their key members, as well as respond to the PET's questions. In general, each Proposer's presentation addressed the requirements of the RFP, experience with all aspects of the required and anticipated tasks, and stressed each proposer's commitment to the success of the contract.

Qualifications Summary of Firms within the Competitive Range:

PQM, INC.

- PQM's proposal significantly exceeds the RFP minimum requirements in the experience and capabilities of the firms on the consultant team criteria. The PQM team has proven outstanding experience implementing similar services as the QMO program.
- PQM's proposal significantly exceeds the RFP minimum requirements in the key personnel's skill and experience criteria. The proposed Program Manager and Program Director have over 20 years of experience in quality management and several ASQ quality related certifications and systems engineering.
- The proposed QMC Program Manager is highly qualified, and experience in transit QMO programs and ISO 9001 compliance.
- PQM's proposed organization and approach indicates an exceptional understanding of the QMC goals, staffing needs and exceeded the DBE goal requirements.
- The PQM team is specially structured to integrate with Metro staff, clear roles, focused on training, productivity, and plan for managing conflicts.

ATSER LP

- The proposal substantially meets the RFP minimum requirements in the Experience and Capabilities of the Firms on the Consultant's Project Team criteria.
- The prime proposer has very good experience in quality management services and the proposed QMS software **Assure-IT™** has been developed and used for 25 years.
- The proposal significantly meets the RFP minimum requirements in the Key Personnel's Skills and Experience. The proposed team has very good experience with this type of scope in the transportation area. The proposal demonstrated highly experienced key personnel in QMO work on behalf of agencies or large projects.
- The proposal substantially meets the RFP minimum experience requirements in interfacing with third parties such as cities, FTA, and Caltrans.
- The proposal demonstrated satisfactory experience and performance in regards to past experience with cost, quality and auditing.
- The proposed organization and approach indicates a very good understanding of the QMC /QMO staffing needs and goals.
- The proposer has a very good understanding of the major challenges and how to address them.

ALTA VISTA SOLUTIONS

- The proposal generally meets the RFP minimum requirements. The proposed approach indicates an adequate and sound understanding of the project goals and methods and other aspects essential to the performance of the project.
- The proposal provided a very good vision in regards to the integration of the QMO program with Metro Quality Assurance staff.
- The Proposer assembled a good team with a depth of sub-consulting team members experienced in a program of this magnitude, and firms dedicated to QMO.
- The Proposer's key personnel team members generally meet the RFP minimum experience requirements. The proposed QMC Program Manager has experience with agencies and programs similar to the Metro Capital programs.
- The proposal demonstrated a strong and well thought-out organization of team members, and co-locating of firm partners. The Proposer and team member firms demonstrated very good capacity to take on assignments.
- The Proposer's PM and key personnel demonstrated very good experience in development of a QMO program.
- The audit and performance lead staff possesses the required ASQ CMQ/OE certification and have experience in quality management programs and its elements.
- The Proposer has a very good understanding of integration with Metro team and staff.

MARRS SERVICES, INC.

- The proposal generally meets the RFP minimum requirements in the Experience and Capabilities of the Firms on the Consultant’s Project Team. The Proposer and other sub-consultant team members demonstrated excellent knowledge and experience working with other public transit agencies and other agencies (cities and counties) and would be able to interface with affected stakeholders for purposes of interagency coordination.
- The proposal substantially meets the RFP minimum requirements in the Key Personnel’s Skill and Experience criteria. The proposed approach indicates a thorough understanding of the project needs, challenges and goals.
- The proposal’s approach to develop and integrate a QMO program is described well and is sound, including the major steps that will be undertaken by the team; all are in accordance with the Scope of Services.

The PET ranked the four (4) proposals in the competitive range, based on the evaluation criteria in the RFP, and assessed major strengths, weaknesses and associated risks of each of the Proposers to determine the most advantageous firm. The final scoring was based on evaluation of the written proposals, as supported by oral presentations, and clarifications received from the Proposers. The results of the final scoring are shown below:

	Firm	Average Score**	Factor Weight	Weighted Average Score*	Rank
1	PQM, Inc				
2	Experience and Capabilities of the Firms on the Consultant’s Project Team	94.93	25%	23.73	
3	Key Personnel’s Skills and Experience	95.67	20%	19.13	
4	Effectiveness of Management Plan	94.00	20%	18.80	
5	Understanding of Work and Appropriateness of Approach for Implementation	95.33	25%	23.83	
6	Cost Proposal	84.20	10%	8.42	
7	Total		100.00%	93.91	1
8	ATSER LP				
90	Experience and Capabilities of the Firms on the Consultant’s Project Team	84.00	25%	21.00	
10	Key Personnel’s Skills and Experience	87.50	20%	17.50	
11	Effectiveness of Management	84.08	20%	16.82	

	Plan				
12	Understanding of Work and Appropriateness of Approach for Implementation	88.13	25%	22.03	
13	Cost Proposal	100.00	10%	10.00	
14	Total		100.00%	87.35	2
15	ALTA VISTA SOLUTIONS				
16	Experience and Capabilities of the Firms on the Consultant's Project Team	79.53	25%	19.88	
17	Key Personnel's Skills and Experience	77.58	20%	15.52	
18	Effectiveness of Management Plan	80.50	20%	16.10	
190	Understanding of Work and Appropriateness of Approach for Implementation	78.93	25%	19.73	
20	Cost Proposal	97.20	10%	9.72	
21	Total		100.00%	80.95	3
22	MARRS SERVICES, INC.				
23	Experience and Capabilities of the Firms on the Consultant's Project Team	71.07	25%	17.77	
24	Key Personnel's Skills and Experience	81.17	20%	16.23	
25	Effectiveness of Management Plan	78.92	20%	15.78	
26	Understanding of Work and Appropriateness of Approach for Implementation	83.53	25%	20.88	
27	Cost Proposal	95.80	10%	9.58	
28	Total		100.00%	80.24	4

* Weighted Scores are rounded up to the nearest second decimal point.

** Cost proposals were based on the Proposer's rates for a sample level of effort of 7,500 hours only. Scores shown above for the cost proposals are based on formulae in the RFP highest score going to the lowest cost proposal.

C. Cost/Price Analysis

Metro performed a cost analysis of labor rates and comparing the four (4) proposals in the competitive range with one another as well as Metro's estimate. All proposals were based on direct labor rates, overhead rates, other direct costs, sub-consultant rates, and fixed fee, and the impact is reflected in the cost score above. The

proposed labor rates, indirect rates and other direct costs for the recommended firm were determined to be fair and reasonable.

	Proposer Name	Proposal Amount ⁽¹⁾	Metro ICE ⁽²⁾	Recommended NTE Amount ⁽³⁾
1	PQM, Inc.	\$1,691,693	\$5,378,518	\$5,378,518
2	ATSER LP	\$1,423,628		
3	Alta Vista Solutions	\$1,464,427		
3	MARRS Services, Inc.	\$1,486,260		

Notes:

- (1) The proposal amounts shown were for evaluation purposes only and were based on the rates for a sample level of effort (7500 hours, only) since there was no definable total level of effort for the Scope of Services. Hourly labor rates, overhead and fee were negotiated and determined to be fair and reasonable.
- (2) The amount \$5,378,518 is a Not-to-Exceed amount estimated for the first 26 months (May – June FY’19, FY’20 and FY’21) of the contract.
- (3) The amount \$5,378,518 is a Not-to-Exceed amount for the first 26 months (May – June FY’19, FY’20 and FY’ 21) of the contract. Future work will be funded according to an Annual Work Program, on a two year basis. The total contract amount will be the aggregate value of all task orders negotiated with the Consultant through the term of the contract.

D. Background on Recommended Contractor

The recommended firm, PQM, Inc., is LOCATED IN Huntington Beach, CA; it is a certified DBE, SBE and WBE firm and is the prime consultant of the team. Founded in 2006, PQM is a quality management consulting firm focused on improving project delivery through the development and implementation of effective quality management programs. PQM specializes in developing, implementing and monitoring ISO 9001 compliant quality management programs for major capital improvement programs.