

**Schedule F Personal Service Contracts**

**Staff Summary**

Item Number 1

<b>Dept. &amp; Dept. Head:</b> Penn Station Reconstruction Project/Peter Matusewitch, Project CEO						<b>SUMMARY INFORMATION</b>																													
<b>Contracts Department</b> Laura A. Smith, Chief Officer						<b>Vendor Name</b> FXC WSP USA Architecture and Engineering JV			<b>Contract Number</b> CS00005C																										
<b>Board Reviews</b>						<b>Description</b> Architectural and Engineering Design Services for the Penn Station Reconstruction Project																													
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:10%;">Order</th> <th style="width:15%;">To</th> <th style="width:15%;">Date</th> <th style="width:15%;">Approval</th> <th style="width:10%;">Info</th> <th style="width:10%;">Other</th> </tr> </thead> <tbody> <tr> <td style="text-align:center;">1</td> <td>Capital Program Committee</td> <td style="text-align:center;">9/19/22</td> <td style="text-align:center;">X</td> <td></td> <td></td> </tr> <tr> <td style="text-align:center;">2</td> <td>Board</td> <td style="text-align:center;">9/21/22</td> <td style="text-align:center;">X</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>						Order	To	Date	Approval	Info	Other	1	Capital Program Committee	9/19/22	X			2	Board	9/21/22	X									<b>Total Amount:</b> Base Contract: \$ 57,919,761 Option 1: \$ 15,829,250 Option 2: \$ 28,563,124 Option 3.1: \$152,732,525 Option 3.2: \$ 70,919,924 Option 4: \$ 3,707,470 Option 5: \$ 3,987,582					
Order	To	Date	Approval	Info	Other																														
1	Capital Program Committee	9/19/22	X																																
2	Board	9/21/22	X																																
<b>Internal Approvals</b>						<b>Contract Term</b> Twelve (12) Months for Base Contract. Up to One Hundred (100) months with Options.																													
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	Approval		Approval																																
	Deputy Chief, Development		President																																
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						<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																													
						<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive																													
						<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:																													
						<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:																													

**Purpose/Recommendation**

MTA Construction & Development (“C&D”) requests Board approval, subject to available funding, to award a publicly advertised and competitively solicited contract for architectural and engineering design services for the Penn Station Reconstruction Project (the “Project”) to FXC WSP USA Architecture and Engineering JV. The Base Contract is for a 12 month duration for the not-to-exceed amount of \$57,919,761. As further described below, the contract includes 6 options for additional services which, if exercised, would increase the contract amount and duration. Through this action C&D requests approval to award the Base Contract and authority to exercise the Options. Please note, however, that exercise of Options in excess of the \$100 Million available in the 2020 - 2024 Capital Plan for this Contract would require separate Board approval.

**Discussion**

This Contract will advance the “preferred alternative” design identified through the recently performed Penn Station Master Plan study and selected by MTA, Amtrak, and NJ Transit. The preferred alternative will improve the operational and functional performance of Penn Station by moving all passenger circulation to a single-level with double-height public concourses, relocating most back-of-house station operations to a non-public upper level, and adding an aboveground, mid-block train hall with a 450-foot-long skylight to bring daylight into the station.

Other objectives of the Project include:

- Relieving overcrowding and improving passenger flow and orientation;
- Improving platform and station egress and accessibility;
- Relieving the cramped, disjointed circulation areas on the lower level;
- Creating a clear street presence that integrates with the surroundings;

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- Optimizing retail and other revenue generation; and
- Integrating Penn Station with the Penn Expansion.

Although this Contract will be held and managed by C&D, Amtrak and NJ Transit will be equal partners in the Project. Amtrak, MTA and NJ Transit intend to enter into a Design Management agreement which will provide for joint decision making and for the cost of this project to be split equally between them.

The Technical Scope of Services includes a Base Scope and six options that C&D may exercise in its discretion. The base scope will produce a Preliminary Design and will include pre-design services, architectural and engineering analysis and design work, as well as public outreach support. In addition, C&D intends to exercise Options 1, 2 or 3.1 and 3.2 based on the delivery method that C&D, Amtrak and NJ Transit determine is best suited for this Project. Option 1 will provide for bridging documents and procurement support for a single design-build contract and would add 12 months to the contract term. Option 2 is for bridging documents and procurement support for multiple design-build contracts and would add 18 months to the contract term. Option 3.1 is for final design and contract documents for a fully designed contract package and Option 3.2 is for design support during construction of a fully designed contract package. Options 3.1 would add 16 months to the contract term and Option 3.2 would add 72 months to the contract term.

Option 4 is for design development for subway improvements at the 34<sup>th</sup> St. Stations of the 7<sup>th</sup> and 8<sup>th</sup> Avenue lines and 34<sup>th</sup> St. Herald Square Station of the 6<sup>th</sup> Avenue and Broadway lines, to increase passenger capacity, flow and access. Option 5 is for design development for underground connections that provide access between Penn Station and the 34<sup>th</sup> St. Herald Square Station. Options 4 and 5 will be performed concurrently with Options 1, 2 or 3.1 and 3.2. If Options 1, 2, or 3.1 and 3.2 are not exercised, Options 4 and 5 will add a duration of six months to the original 12 month contract duration.

Selection was determined via a one-step qualifications-based procurement process established by the federal Brooks Act to preserve MTA's ability to use federal funding for the Contract. Under the Brooks Act, contracts for specified services, including design, are negotiated with the firm that is determined to be the most technically qualified by the selection committee based on established evaluation criteria. Price is not a consideration in the selection or ranking of the firm. A one-step solicitation was publicly advertised in the New York State Contractor Reporter, The Architect's Newspaper, Daily News, Minority Commerce Weekly, and on the MTA website. In addition, notice of the Request of Proposals ("RFP") was sent to 106 prequalified firms on the MTA's General Engineering Consultant list. In response to the RFP, proposals were received on July 28, 2022, from the following firms:

1. AECOM USA, Inc.
2. Dattner Architects
3. Kohn Pedersen Fox Assoc. PC, Thornton Tomasetti, and Syska Hennessy Group, a Joint Venture
4. FXC WSP USA Architecture and Engineering JV, a Joint Venture of WSP USA Inc. and FXCollaborative Architects LLP
5. Perkins&Will and TYLin, a Joint Venture

The proposals were evaluated and scored by a selection committee consisting of representatives from C&D, Amtrak, and NJ Transit, utilizing the following pre-established selection criteria: Key Personnel; Representative Projects; Project Understanding and Proposed Technical Approach; Proposed Management Approach; Experience in Relevant Disciplines; Availability of Resources; and Other Relevant Matters. In addition to the selection committee there was a non-voting technical advisory committee who reviewed the technical proposals and participated in the oral presentations. The technical advisory committee consisted of representatives from LIRR, Amtrak, NJ Transit, New York City Economic Development Corporation, and New York State Empire State Development.

The selection committee reviewed the technical proposals which included a detailed approach to the base scope and options, conducted oral presentations, and unanimously determined the FXC WSP USA Architecture and Engineering JV proposal to be the highest technically ranked. FXC WSP USA Architecture and Engineering JV demonstrated the best qualifications and experience in regard to the proposed key personnel, a thorough understanding of the project requirements and proposed technical approach, and a well-developed management plan to fulfill the scope of work and ensure that the Project is completed on time and within budget.

After the technical evaluation was completed, the selection committee opened FXC WSP USA Architecture and Engineering JV's cost proposal which was as follows:

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Base Contract:	\$ 59,687,367
Option 1:	\$ 15,975,825
Option 2:	\$ 28,843,981
Option 3.1:	\$172,683,713
Option 3.2:	\$ 81,273,407
Option 4:	\$ 3,773,633
Option 5:	\$ 4,443,449

Several rounds of negotiations were conducted for the base scope and options, focusing on levels of effort, staffing, hourly rates, overhead rates and contract terms and conditions. After the negotiations concluded, FXC WSP USA Architecture and Engineering JV submitted a Best and Final Offer (“BAFO”) as follows:

Base Contract:	\$ 57,919,761
Option 1:	\$ 15,829,250
Option 2:	\$ 28,563,124
Option 3.1:	\$152,732,525
Option 3.2:	\$ 70,919,924
Option 4:	\$ 3,707,470
Option 5:	\$ 3,987,582

The BAFO was received and evaluated against C&D’s in-house budget estimate based on hours distributed among various titles and overhead rates. Based on the evaluation of the initial and revised cost proposals, and the in-house estimate, the BAFO was determined to be fair and reasonable.

This Contract incorporates incentive and disincentive provisions that provide an opportunity for the consultant to earn additional compensation through meeting key Project milestones and a reduction in compensation for failing to meet those milestones.

In connection with a previous contract awarded to the Louis Berger Group, Inc. (“LBG”)<sup>1</sup>, LBG was found to be responsible notwithstanding SAI pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in November 2015. No new SAI has been found relating to LBG or WSP. WSP has no SAI except that stemming from its acquisition of LBG. WSP has been found responsible.

**D/M/WBE Information**

The MTA’s Department of Diversity and Civil Rights has established a DBE goal of 22.5% for this Contract. FXC WSP USA Architecture and Engineering JV has submitted a utilization plan projected to exceed the DBE goal requirement. FXC WSP USA Architecture and Engineering JV has not completed any MTA contracts with D/M/WBE goals; therefore, no assessment of the firm’s D/M/WBE performance can be determined at this time. WSP has achieved its D/M/WBE goals on previous completed MTA contracts. FXCollaborative Architects LLP has not completed any MTA contracts with D/M/WBE goals; therefore, no assessment of the firm’s D/M/WBE performance can be determined at this time.

**Impact on Funding**

Funding for this Contract up to \$100 Million is available in the 2020 – 2024 Capital Plan. Amtrak, MTA and NJ Transit intend to enter into a Design Management agreement which will provide for the cost of this project to be split equally between them.

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<sup>1</sup> LBG was acquired by WSP in December 2018 and that acquisition carries with it LBG's SAI.