



Board Report

File #: 2019-0870, **File Type:** Contract

Agenda Number: 27.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE JANUARY 16, 2020

SUBJECT: REAL ESTATE MANAGEMENT SYSTEM

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a six-year firm-fixed price Contract No. PS62371000 to Flairsoft Ltd. for the purchase of Real Estate Management System and software support services in the amount of \$946,463, plus optional licenses, modules and subscription maintenance and support of \$714,960 for a combined total amount of \$1,661,423, subject to resolution of protest(s), if any.

ISSUE

Metro is embarking on a significant growth in its real estate holdings as a result of capital infrastructure development outlined in Measure M. The Real Estate Department estimates that over 3,000 acquisitions and relocations are to be completed in the next ten years. Currently there is no electronic record management system or formal workflow for the acquisition of Metro property or planning of future real property acquisitions. In order to handle and improve process efficiencies, the department requires a new Real Estate Management System (REMS) to act as the principal work management solution.

BACKGROUND

The Real Estate Department's mission is to ensure optimal use of all Metro owned properties, maximize the value of each of these assets, acquire all needed property at the best possible value to the agency and keep the goal of efficient and effective public transit in Los Angeles County.

The department manages and administers over 5,000 real estate agreements spanning some 250 miles of Right-of-Way (ROW) throughout Los Angeles County and provides full-service property management for the Union Station Transit Hub. It is responsible for the full range of real estate services including appraisal, services, environmental investigations, acquisition/disposition of real estate for administrative and transit projects.

DISCUSSION

The proactive approach to implementing this system now will avoid costly errors in years to come from the sheer enormity of the task. It will inhibit long delays to right-of-way acquisition under tight schedules as currently defined by the projects in the department's portfolio. The implemented solution will have a fully developed platform for what is a highly defined and regulated business involving multiple processes. The solution's affordable technology stack will provide:

- A scalable solution which can be extended in the cloud for use by Metro contractors performing work on Metro's behalf
- An integrated GIS environment which can be distributed to multiple stakeholders to communicate status and provide a common operating picture for greater exchange among Planning, Real Estate, and Project Management
- A database with workflow integration based on multiple laws regulating public land acquisition & relocation

DETERMINATION OF SAFETY IMPACT

Approval of the contract award will ensure that the agency better complies with laws & regulations managing schedules, resources, risks, budgets and quality controls.

FINANCIAL IMPACT

Funding for this service has been approved under a capital project (CP 207157) and is included in the FY20 budget under cost center 9210, Information Management. Since this project will span over a year, the project manager and the Chief Information Technology Officer will be responsible for budgeting the cost in future years.

IMPACT TO BUDGET

The funding for this action will be a combination of federal, state and local operating funds.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports **Metro Vision 2028 Strategic Goal 5** - Provide responsive, accountable and trustworthy governance within the Metro organization.

ALTERNATIVES CONSIDERED

The Board may choose not to proceed with the contract award, however this is not recommended as Flairsoft fully meets the requirements in the RFP.

NEXT STEPS

Upon approval by the Board, staff will execute Contract No. PS62371000 with Flairsoft Ltd. for the purchase of Real Estate Management System and software support services.

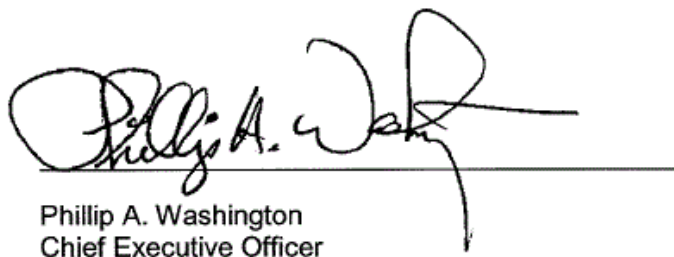
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

REAL ESTATE MANAGEMENT SYSTEM/PS62371000

| | | |
|----|---|--|
| 1. | Contract Number: PS62371000 | |
| 2. | Recommended Vendor: Flairsoft Ltd. | |
| 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: 6/17/2019 | |
| | B. Advertised/Publicized: 6/18/2019 | |
| | C. Pre-Proposal Conference: 6/26/2019 | |
| | D. Proposals Due: 7/30/2019 | |
| | E. Pre-Qualification Completed: 9/12/2019 | |
| | F. Conflict of Interest Form Submitted to Ethics: 8/1/2019 | |
| | G. Protest Period End Date: 1/21/2020 | |
| 5. | Solicitations Picked up/Downloaded: 34 | Bids/Proposals Received: 1 |
| 6. | Contract Administrator: Manchi Yi | Telephone Number: (213) 418-3332 |
| 7. | Project Manager: Vahram Shahgaldian | Telephone Number: (213) 418-3468 |

A. Procurement Background

This Board Action is to approve Contract No. PS62371000 to Flairsoft Ltd. (Flairsoft) for the purchase of Real Estate Management System and software support services, including optional licenses, modules and subscription maintenance & support. Board approval of contract awards are subject to resolution of any properly submitted protest.

The Request for Proposal (RFP) was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price. The RFP was issued as a Small Business Set Aside procurement.

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

- Amendment No. 1 was issued on June 19, 2019 to provide proposers an option to participate in the pre-proposal conference via conference call;
- Amendment No. 2 was issued on July 8, 2019 to extend the proposal due date to July 30, 2019.

A pre-proposal conference was held on June 26, 2019 and was attended by 12 participants representing six firms. There were 13 questions submitted and responses were released prior to the proposal due date.

A total of 34 firms downloaded the RFP and were included on the planholders' list. A single proposal was received on July 30, 2019 from Flairsoft. A market survey was conducted of the planholders to determine why there were no other proposers. The following is a summary of the market survey from potential proposers:

1. We are focusing our resources to respond to another more relevant RFP.
2. We felt intimidation for not having enough experience to perform the work. Additionally, we are a small three-man business.
3. We determined that our solutions were not the best fit for your organization's needs and decided not to submit a proposal.
4. Our understanding of the SOW was that an off-the-shelf solution was required. We develop custom solutions and as such do not have an off-the-shelf offering.
5. We felt we would not be able to "comply with the SBE Program requirements provided in the Diversity & Economic Opportunity Department Contract Compliance Manual (Set-Aside)."
6. We found the timeline required to be short as to our current capacity. The COTS vendors we interviewed also hesitated in partnering with a small agency such as ours.
7. Our technical staff No-Go'ed this opportunity due to the delivery structure and our inability to meet the basic RFP specifications.
8. We had gotten notice of the request for proposal late and had already committed our resources to another response.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from the Information and Technology Services Department and Real Estate Department was convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal was evaluated based on the following pass/fail minimum requirements and evaluation criteria and weights:

Pass/Fail Minimum Requirements

- Proposed REMS software must be installed and in operation in at least three (3) other establishments. Proposer shall provide references with contact information.
- Proposer's resources must have experience in configuring, integrating and supporting the proposed REMS software.

Evaluation Criteria and Weights

- | | |
|---|------------|
| • Proposer's Business & Service Profile | 10 percent |
| • Proposer Resource's Skillsets & Relevant Experience | 20 percent |
| • Technical Solution: REMS Requirements Goodness-of-Fit | 20 percent |
| • REMS Software Demonstration | 15 percent |
| • Project Methodology, Approach & Schedule | 10 percent |
| • Cost Proposal | 25 percent |

The evaluation criteria are appropriate and consistent with criteria developed for other similar software procurement.

The PET began its independent evaluation of Flairsoft's proposal in August. Flairsoft's proposal passed the minimum requirements and a software demonstration was held in early September. Flairsoft was required to demonstrate how their proposed software's functionality met the requirements of the RFP. Staff then requested several clarification meetings via phone conference. The PET concluded that Flairsoft's proposal was technically acceptable and met the requirements of the RFP.

The following table is a summary of the PET's scores.

| 1 | Firm | Average Score | Factor Weight | Weighted Average Score | Rank |
|---|---|---------------|---------------|------------------------|----------|
| 2 | Flairsoft Ltd. | | | | |
| 3 | Proposer's Business & Service Profile | 92.00 | 10% | 9.20 | |
| 4 | Proposer Resource's Skillsets & Relevant Experience | 90.00 | 20% | 18.00 | |
| 5 | Technical Solution: REMS Requirements Goodness-of-Fit | 92.00 | 20% | 18.40 | |
| 6 | REMS Software Demonstration | 83.00 | 15% | 12.45 | |
| 7 | Project Methodology, Approach & Schedule | 90.00 | 10% | 9.00 | |
| 8 | Cost Proposal | 100.00 | 25% | 25.00 | |
| 9 | Total | | 100% | 92.05 | 1 |

C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate (ICE), technical evaluation, fact finding, and negotiations. The original proposal amount is lower than the negotiated amount because optional modules and subscription maintenance and support were added during negotiations.

| | Proposer Name | Proposal Amount | Metro ICE | Negotiated or NTE amount |
|----|----------------|-----------------|---------------|--------------------------|
| 1. | Flairsoft Ltd. | \$986,463 | \$1,425,750 * | \$1,661,423 |

* ICE amount did not include optional modules or subscription maintain and support.

D. Background on Recommended Contractor

The recommended firm, Flairsoft, located in Columbus, Ohio, has been in business since 2001. Flairsoft has implemented and completed over 10 systems and has over 16 years of configuring, integrating and supporting Flairdocs Right-of-Way and Real Estate solution across government agencies, transportation, utilities, gas and pipeline companies. Government clients include Sound Transit, Oregon DOT, New York State Department of Transportation and Las Vegas Water District Authority.

DEOD SUMMARY

REAL ESTATE MANAGEMENT SYSTEM/PS62371000

A. Small Business Participation

Pursuant to Metro’s Board-approved policy, competitive acquisitions with three or more Small Business Enterprise (SBE) certified firms within the specified North American Industry Classification System (NAICS) as identified for the project scope shall constitute a Small Business Set-Aside procurement. Accordingly, the Contract Administrator advanced the solicitation, including posting the solicitation on Metro’s website, advertising, and notifying certified small businesses as identified by NAICS code(s) that this solicitation was open to SBE Certified Small Businesses Only.

Flairsoft LTD, an SBE Prime, is performing 96.87% of the work with its own workforce. Flairsoft LTD made a 96.87% SBE commitment.

SMALL BUSINESS PRIME (SET-ASIDE)

| | SBE Prime Contractor | SBE % Committed |
|-------------------------|-----------------------------|------------------------|
| 1. | Flairsoft LTD | 96.87% |
| Total Commitment | | 96.87% |

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.

Los Angeles County Metropolitan Transportation Authority

Real Estate Management System and software support services



INFORMATION AND
TECHNOLOGY SERVICES

Operations, Safety, And Customer Experience Committee

January 16, 2020

2019 – 0870

Real Estate Management System & software support services

Request to award a multiyear contract to Flairsoft Ltd for a Real Estate Management System for \$1,661,423.

- ❖ **Metro will see significant growth in its real estate holdings as a result of capital infrastructure developments.**
 - ❑ The department currently manages and administers over 5,000 real estate agreements and estimates to add over 3,000 acquisitions in the next ten years.
 - ❑ Metro does not have an electronic record management system.
 - ❑ The new system will provide an integrated GIS environment, sanction greater exchange among groups and allow contractors to perform work on Metro's behalf.
 - ❑ The system will increase functionality for tracking, managing & planning real estate acquisitions and ensure adherence to laws regulating public land acquisition & relocation.



Questions?