



Los Angeles World Airports

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September 12, 2008

Honorable Laura N. Chick
City Controller
City of Los Angeles
200 N. Main Street, Room 300
Los Angeles, CA 90012

LAX
LA/Ontario
LA/Palmdale
Van Nuys
City of Los Angeles

Re: Contract Selection Process Recommendation Status

Dear Ms. Chick,

Antonio R. Villaraigosa
Mayor

Board of Airport
Commissioners

Alan I. Rothenberg
President

Valeria C. Velasco
Vice President

Joseph A. Aredas
Michael A. Lawson
Sylvia Patsaouras
Fernando M. Torres-Gil
Walter Zifkin

Gina Marie Lindsey
Executive Director

I am delighted to report that LAWA has implemented all of the suggested changes and recommendations from the report entitled "LAWA Contract Selection Process" that was developed by the Controller's office to help strengthen LAWA's contract selection process and evaluation policy. The Contract Services Division in conjunction with Executive Management reviewed the report and has incorporated all of your suggestions as quickly as possible to ensure a thorough and transparent contract selection process. As such, LAWA has released a revised Evaluation Policy that includes all of the changes on September 10, 2008.

The Evaluation Policy has been expanded to require additional written documentation explaining rationale and supporting decisions made by the evaluation committee as well as ensuring increased consistency amongst interview panel members and the questions they ask during the interview process. Additionally, a method was created whereby an interview panel may request follow-up interviews and a sample evaluation form was adapted to show how it may be documented.

Attached for your reference are an Evaluation Policy Matrix (which includes a summary of the current policy, the recommendations, and the implemented changes), the revised Evaluation Policy, and the Sample Evaluation Form. If you have any further questions please contact Stuart Susswain of Contract Services Division at (310) 348-5228 or ssusswain@lawa.org.

Sincerely,

[Handwritten signature of Gina Marie Lindsey]
Gina Marie Lindsey
Executive Director

GML:SM:ss

Attachments

EVALUATION POLICY MATRIX

Current Evaluation Policy	Controller's Recommendations	Status	Comments
1 At the conclusion of the evaluation process the Evaluation Committee will prepare a summary report to the Division Manager documenting the entire procurement process. (pg.4)	Require written documentation to support the decision criteria used to initiate the initial and subsequent follow-up oral interview invitations, as well as the panel's ultimate recommendation for selection to the Executive Director.	Fully Implemented	The Contract Administrator must prepare a report to the Executive Director and the BOAC that explains rationale for conducting interviews and the panel's ultimate recommendation for selection in addition to describing the whole evaluation process. (pg.2 & 5)
2 No existing LAWA policy regarding allowing a panel member to request additional follow-up interview(s).	Establish procedures that would allow a panel member the ability to request the opportunity for an additional follow-up interview(s).	Fully Implemented	"A majority of panel members may request a second round of interviews by checking the appropriate box on the evaluation form." (pg.4) Also a set of yes/no questions was added to the Sample Evaluation Form as an example of how a panel member may document the need for another interview. (pg.7)
3 A common set of questions based on the evaluation criteria is required in addition to any follow-up questions. (pg.3)	Establish interview questions that are consistent for all candidates.	Fully Implemented	"A short list of questions that should be asked of all candidates," must be created by the panel as well as individual questions specific to each proposal may be asked. (pg.3) Plus all questions must now be submitted to Contract Services Division for document review and retention. (pg.5)
4 Committee members should be selected based on their understanding of the technical requirements of the proposal as well as their ability to provide an objective and impartial evaluation. Also, there may be additional members as deemed necessary by the Division Manager. (pg.2)	Ensure appropriate composition of evaluation panel members, especially with regards to their technical experience and qualifications. If LAWA has a shortage of technically qualified panel candidates, consider recruitment from other City Departments.	Fully Implemented	Removal of the recommendation to strive to have two Deputy Executive Directors or more for high value contracts and concessions in order to ensure technically qualified candidates are on the panel. Additionally, committee members should still be selected on their technical understanding of the project and the sentence "If there is a need for more technically qualified panelists, it is permissible to include members from other City Departments or government agencies" has been added. (pg.2)
5 Procurement Services shall be notified of any changes to members of the evaluation panel. (pg. 2)	Maintain consistency of panel members and non-voting technical advisers throughout the interview process, or require documentation to explain deviations.	Fully Implemented	"If a second interview is necessary, usually the original Evaluation Panel will conduct them. However, any changes to the panel should be explained and documented in the Consensus Summary Sheet and the Board Report." (pg.4)
6 Panel members must review and complete an Evaluation Form for each proposal and attach additional comment sheets if needed. (pg.4)	Require panel members to record their written comments to support scoring provided during evaluation of written proposals and oral interviews.	Fully Implemented	Panel members must review and complete an Evaluation Form for each proposal. "The evaluation forms must include the criteria, weights, comments, and scores." (pg.4) Space has also been provided on the Sample Evaluation Form for comments. (pg.7)

LOS ANGELES WORLD AIRPORTS
Proposal Evaluation Policy
Procedures and Forms
Revised Date: September 10, 2008

Objective:

The objective of LAWA's Proposal Evaluation Policy is to provide a structured process that assures fair and impartial evaluation of responses to Requests for Proposals (RFPs) and Requests for Qualifications (RFQs), including clear and transparent documentation of the process pursuant to the Code of Federal Regulations (14CFR 1273.6(c)(3), 1273.36(d)(3)-iii) and City Administrative Code (Sec.10.15), resulting in the selection of the respondent(s) that is most advantageous to the City.

• **Proposal Evaluation Procedures:**

1. **Content of RFPs and/or RFQs:** All RFPs and/or RFQs released by LAWA include the scope of services and desired results for the project, evaluation criteria, criteria weights, other project requirements, and administrative requirements.

The Requesting Division managing the project is responsible for preparation of the scope of services, evaluation criteria, criteria weights, and other project requirements.

Contract Services Division determines the administrative requirements for each RFP and RFQ.

All RFP's and RFQ's released must contain weighted evaluation criteria within the document. Contract Services Division will review all completed RFP's/RFQ's to ensure that weighted evaluation criteria are included in the documents prior to uploading them to the Mayor's Business Assistance Virtual Network (BAVN) internet website. Any RFP that does not contain the weighted evaluation criteria can not be released and will be returned to the Requesting Division for revision.

The last section of this document presents sample Evaluation Criteria and Rating Format.

2. **Appointment of a Contract Administrator:** The Division Manager will appoint a Contract Administrator who will be responsible for the following activities:
 - Prepare and release of an RFP document that complies with LAWA procurement policy and procedures;
 - Manage the receipt and pre-screening of proposals;
 - Coordinate and schedule the Proposal Evaluation Committee Review, Selection and Documentation; and,
 - Records management, distribution and retention (see LAWA's Records Retention Manual on LAWA's Intranet/Divisions/Contract at:
http://lawahome/Contract/docs/rec_retention_manual_v4.pdf.)

3. **Appointment of Evaluation Committee:** A committee to evaluate the proposals will be recommended by the Division Manager and submitted to the Executive Director and/or Deputy Executive Director or designee for approval. The Committee should consist of, at least one Deputy Executive Director, and additional members as deemed appropriate. Committee members should be selected on the basis of their understanding of the technical requirements of the proposal, as well as their ability to provide an objective and impartial evaluation. If there is a need for more technically qualified panelists, it is permissible to include members from other City Departments or government agencies, although only City employees (and retired City employees serving under Charter Sec. 1164(b)) may vote. Non-City employees serve as technical advisors.

The Evaluation Committee will be responsible for reviewing the proposals, interviewing and evaluating the applicants and making a recommendation of award by doing the following:

- Complying with LAWA's Code of Ethics and Conflict Of Interest Policy;
- Fully understanding the scope of work requested and the desired results of the project;
- Reviewing and evaluating all eligible or short-listed proposals and preparing complete rating sheets based on a standard format utilizing the weights and rating criteria as published in the RFP; and
- Conducting oral interviews (strongly recommended for more complex proposals) of finalists and preparing rating sheets.

The Contract Administrator will be responsible for the following:

- Tabulating and preparing recommendation of award based on the combined scores from the evaluation of the written proposal and oral presentation if one was conducted;
- Documenting the evaluation process and preparing the Evaluation Process File;
- Submitting the recommendation of award to the Deputy Executive Director and Executive Director for approval prior to commencement of contract negotiation;
- Administering the contract negotiations;
- Preparing the draft report to the Board of Airport Commissioners (BOAC) for review by the Deputy Executive Director and the Executive Director, who then makes a recommendation to award the contract (or, in the alternative, to reject the proposals);
- Upon completion of the contract negotiations with the recommended proposer, notifying all proposers of selection outcome in writing; and
- Oversees the administration of the protest period, which occurs after notifying the proposer of the selection outcome, but prior to the BOAC meeting to approve the contract. (With the exception of certain limited Administrative Code requirements, until the contract negotiations are completed and the Executive Director authorizes a recommendation to BOAC and the notification to all proposers, the selection process is treated by LAWA as confidential. Once the proposers have been notified and the

protest period commences, documents will be made public pursuant to the California Public Records Act.)

4. **Evaluation Process:** All proposal reviews and documentation shall adhere to the following process:

- **RESPONSIVENESS AND RESPONSIBILITY:** The Contract Administrator will perform a “pre-screening” of each proposal to verify that all required information was received. The checklist provided in the RFP will be used by the Contract Administrator to verify receipt of required information. All administrative documents must be forwarded to Contract Services Division for review and determination of responsiveness and responsibility. The Contract Administrator will notify proposers found to be non-responsible, based on Contractor Responsibility Program requirements.
- **SHORT-LIST DETERMINATION:** In the event that a large number (typically, ten or more) proposals are received, the Contract Administrator may develop a recommended “short-list” which shall be validated by the Evaluation Committee. The Evaluation Committee may modify the short list as needed. The short list will be based on proposals that were deemed responsive and responsible by Contract Services Division and the short list is determined using the same weighted criteria from the published RFP/RFQ. The short list rating sheets shall be retained to document the short listing process.
- **PROPOSAL REVIEW AND SELECTION:** The Evaluation Committee will review all responsive proposals received. Each Evaluation Committee member shall complete an evaluation form with the weighted evaluation criteria for each eligible proposal. The evaluation of the written proposals shall be completed before any oral interviews take place.
- **ORAL INTERVIEWS:** Oral interviews, while optional, are strongly recommended. The purpose of interviews is to allow proposers the opportunity to clarify or expand upon aspects of their proposals. Interviews are also an opportunity to meet and evaluate the key staff members assigned to a project by the proposer, and discuss issues of experience, performance, schedules, price, and quality.

If an oral interview is used as part of the selection process, all eligible respondents on the short list if one is used, or if none, then all respondents will be invited for an oral presentation, and will be asked questions based on the published evaluation criteria and the particular details of each proposer’s submittal. Prior to the first interview the Evaluation Committee and the Contract Administrator should determine a short list of questions that should be asked of all candidates. In addition, the Evaluation Committee may have individual questions for proposers based on the review of the written proposals. Follow up questions to particular answers are permitted. Evaluation Committee members will complete interview evaluation forms documenting the oral presentation process and results using the same weighted evaluation criteria used to evaluate the written proposal.

A majority of panel members may request a second round of interviews by checking the appropriate box on the evaluation form. Based on the results of the first round, the second round of interviews may be of all proposers from the first round, or a "short list" of those interviewed in the first round. Usually the original Evaluation Panel will conduct the second round of interviews. However, if there are valid reasons for using a different evaluation panel, any changes to the panel should be explained and documented in the Consensus Summary Sheet and the Board Report.

If an oral interview is not used, the Evaluation Committee will document the reasons, and will include this rationale in the report to management and the BOAC.

- VERIFICATION OF REFERENCES: At least one Evaluation Committee member shall be assigned to call references provided by the RFP/RFQ respondents. The Contract Administrator may also assist with reference checks. A set of standard questions shall be asked for all proposals and all bank references must be verified. After the references are verified, a summary of the responses should be prepared and presented to the full Evaluation Committee for review.
- VERIFICATION OF PRIOR CITY CONTRACTS: The City Council adopted a resolution requiring that a list of all City contracts held by the vendor within the past ten years be included in all RFP/RFQ response packages. The Contract Administrator shall contact all Departments that contracted with the vendor to obtain references regarding the vendor's performance. This information will be presented to the Evaluation Committee for consideration and will be included in the final written report.

The Contract Administrator will check the Council File Index (CFI) to independently verify the information. The CFI can be checked on the Intranet at <http://cityclerk.lacity.org/CFI>, or by calling the City Clerk's Office at 485-5703.

- RATING THE PROPOSALS:

Each Evaluation Committee member will review every eligible proposal and complete an RFP/RFQ Proposal Evaluation Form for each one. The evaluation forms must include the criteria, weights, comments, and scores. The Committee will then discuss the evaluations.

After the Evaluation Forms are fully completed, the rankings will be placed on the Evaluation Panel Consensus Summary Sheet by the Contract Administrator. On the Summary Sheets and Evaluation Forms, individual raters do not have to be named. A letter or numeric designation is sufficient. The Summary Sheets and Evaluation Forms will become part of the public record and made available to the public at the commencement of the protest period.

Once all Evaluation forms have been completed, and ranks prepared, a recommendation of the proposal that is in the best interest of LAWA may be made, or the Evaluation Committee may recommend oral interviews before making a final recommendation. If there are questions about proposal information, and a decision has been made by the Evaluation Committee that no oral interviews will be conducted, the Chairperson or an Evaluation Committee member may be assigned to call the proposers for clarification. Questions and responses must be documented.

- RECOMMENDATION FOR SELECTION:

Final rankings and recommendations will be based on all information and scores obtained by the Evaluation Committee in the evaluation of written proposals and oral presentations, if any. Consistent with the selection criteria contained in the RFP/RFQ, and subject to the applicable City Charter requirements, price may be considered, but may not necessarily govern selection of the Contractor/consultant(s).

- EVALUATION COMMITTEE'S WRITTEN REPORT:

At the conclusion of the evaluation process, the Contract Administrator will prepare a summary report to the Division Manager documenting the entire Contract process. An Evaluation-Process-File with the individual evaluation forms for the short listing process, the written proposals, and oral presentations will be attached to this report.

5. **Contract Services Review of Documents:** The Contract Administrator shall submit the original proposal evaluation documents (including the individual rating sheets, consensus summary sheet, and list of questions used during the interview process) to Contract Services Division. The Contract Administrator shall retain in the master file a copy of all documents transmitted to Contract Services.

LAWA's Contract Services Division will review proposal evaluation documents for sufficiency and accuracy, obtain supplementary information required, and will retain the original documents. The documents will be available for review, appeals, and audits in accordance with approved records retention schedules.

6. **Negotiation of Contract:** The Contract Administrator administers the contract negotiations.
7. **Board Report Preparation:** Upon negotiation of the contract, the Contract Administrator will prepare a report to the Executive Director and Board of Airport Commissioners that:
 - describes the evaluation process;
 - identifies the respondents, scores and ranking;
 - explains pre-screening results and why proposers, if any, were found non-responsive and/or non-responsible;
 - describes short-lists – if any were used;
 - explains the rationale for not conducting interviews;
 - explains the rationale for conducting initial and follow-up interviews; and,
 - presents the Evaluation Committee's recommendation.

8. **Records Management, Distribution and Retention.** The Contract Administrator will be responsible for preparing and maintaining a master file with complete documentation for the entire Contract and contracting process. The master file will include documentation for RFP preparation and release, proposals received, short listed (if applicable) reviewed, evaluated, and selected, and approval process and reports, including appeals, if any.

After contract execution, an addendum to this master file will be made to include contract management information, and the location where all contract documentation, including contract evaluations and amendments, if any, will be kept. The master file will be accessibly maintained and will be available for reviews, appeals, and audits.

SAMPLE RFP EVALUATION FORM

VENDOR'S NAME: _____ RATER: _____ DATE: _____

EVALUATION CRITERIA	CRITERIA WEIGHTS	Rater's Score		
		Proposal Review Date:	Oral Interview Date:	Final Score
Experience of the Proposer as a Firm <ul style="list-style-type: none"> • How long has the company been in Business? • Has the company done similar work? At other large airports? For how long? 	10			
Experience and Qualifications of Personnel <ul style="list-style-type: none"> • What types of experience do the personnel have? • How long have they done similar work? Proposals must include specific information on the personnel, including subcontractors, assigned.	10			
Past Performance of the Firm on contracts of similar size and scope <ul style="list-style-type: none"> • Check every reference, and the Committee develops a set of questions to ask each reference. The results of references check should be summarized for review by the Committee. 	10			
City Contracts Held in Past 10 years (if applicable) <ul style="list-style-type: none"> • Contact Department to obtain reference information. • Where there problems with the vendor? • Did they perform as required? • Would the Department contract with this vendor again? 	10			
Quality and Responsiveness of the Proposer <ul style="list-style-type: none"> • Is the proposal clear and understandable? • Does the proposal meet all of the RFP requirements? List any additional specific information. 	10			
Organization's Financial Stability <ul style="list-style-type: none"> • Check Bank References • Check financial rating by a recognized financial reporting agency such as Dunn and Bradstreet. 	15			
Quality Assurance Guarantees and estimated time frame <ul style="list-style-type: none"> • Look for Best Overall Guarantees • What time frames for delivery are established? Proposer provides schedules, work plans, milestones or specific dates of delivery of work tasks. 	10			
Any Additional Criteria specific to the RFP	15			
Proposed Level of Fees – Best Overall Value to the City <ul style="list-style-type: none"> • Compare not only unit prices, but all factors that will make one proposal a better value overall. If the RFP is revenue generating, the revenue projections must be clearly defined. 	10			
TOTAL POINTS	100			

COMMENTS (Mandatory):

Were all my questions answered? Yes _____ No _____

Is a second interview necessary? Yes _____ No _____