

EXHIBIT 5a(i)(4)

9-22-2011 Response to the DOT



September 22, 2011

Mr. Dominick J. Gatto, PE
Director, Office of Program Management and Oversight
U. S. Department of Transportation
Federal Transit Administration, Region V
200 West Adams Street, Suite 320
Chicago, Illinois 60606-2789

**Re: Procurement System Review Final Report
September 2011 Submittal**

Dear Mr. Gatto:

In response to the Procurement System Review Final Report dated July 21, 2011, this letter transmits our September 2011 supplement to responses previously submitted. Attached please find Metra's response to one of the twenty-four elements found to be deficient in the Final Report. We believe that the information supplied will be sufficient to close out this element. With this submittal, Metra has responded to a total of eight elements.

An ad hoc committee of senior Metra officials from multiple departments continues to review the report and prepare responses. They continue to meet regularly for extensive periods of time to review the deficiencies, gather pertinent documents, and either draft explanations of Metra's process or work on implementing changes to address the findings. They have also engaged outside consultants to help redraft Metra procedures to address the report recommendations. Work also continued on those issues involving LTK Engineering Services (LTK), Nippon Sharyo (Nippon), and Engineering and Management Specialists, Inc (EMS). We believe we have adequately addressed the Terry Ford contract; please confirm this so that we may settle our outstanding obligations with them.

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We hope that the serious progress we are making demonstrates our commitment to fully addressing the deficiencies. We suggest that Metra provide the Region submittals and updates every 30 to 45 days so that Metra can show the Region our progress and the Region can provide Metra with additional consultation and feedback on which items are closed and which need additional work.

We look forward to your positive response.

Sincerely,



Lynnette H. Ciavarella
Senior Division Director
Strategic Capital Planning/Grants Development

cc: without attachment
Lisa Joiner, FTA
Alexander Clifford Metra,
Theresa Barnett, Metra
Eric Fernandes, Metra
Paul Kisielius, Metra
David Simmons, Metra

Complete Specifications (Element #24):

Metra's Supplemental Response: The PSR noted that IFB/RFPs lacked a clear and adequate description of the services Metra was seeking. First, please note that Metra's current procedures require a clear and accurate description of the services sought, a statement of work, and detailed specifications and technical requirements (see attached PU-06-RC and PU-08-RC). As stated in Metra's response to the draft PSR, we have amended our procedures to augment and clarify the user departments' obligation to provide complete, clear, accurate, and unambiguous descriptions of services, and the procurement department's obligation to oversee this process. See attached proposed revised PU-06-RC and PU-08-RC.

The Senior Division Director, General Administration will conduct an Element-by-Element review with all of the appropriate members of the Procurement and Professional Services staff. The training sessions will review each deficiency and the appropriate corrective action(s) to be implemented. The review will include an analysis of the PSR findings, as well as the purpose and execution of the corrective action. The Senior Director will document when they were held, which Elements were discussed, and who attended the training session. This documentation will be held in the PSR final report file. In addition, Metra will pursue available training provided by FTA, NTI, or other existing sources. We will offer to host courses so that we may include as many Metra Procurement staff as possible. To the extent that existing training does not cover certain topics, we will be issuing an RFP for a consultant to develop specialized training.

Lastly, Audit will commence an independent audit within 120 days of the acceptance of final corrective actions by the FTA. The 120 days should provide adequate time for selecting a sample of procurement awards for our audit to confirm that Metra is following procedures and corrective actions consistently and to issue the report as recommended.

**PROFESSIONAL SERVICE CONTRACTS
(GRANT-FUNDED, NON-BROOKS)**

I. PURPOSE

This procedure sets forth policies and instructions for acquiring, administering, and terminating Professional Service Contracts and Blanket Professional Service Contracts (hereafter, collectively referred to as "Professional Service Contract(s)" unless otherwise stated) entered into by Metra, which are funded by federal, state, or local grants. Professional Services Contracts are exempt from competitive bidding pursuant to MET Ordinance 94-18 or NIRC Ordinance 94-1, but must follow grant requirements for the applicable competitive negotiations process.

NOTE: See PU-07-RC for Professional Service Contracts that are **not** funded by capital funds. They are also exempt from competitive bidding (pursuant to MET Ordinance 94-18 or NIRC Ordinance 94-1), but must be publicly advertised and competitively negotiated in some manner, unless the Executive Director approves an alternative process. For example, the Executive Director may approve the issuance of a Request for Proposals (RFP) without competition. In that event, PU-02-RC should be followed.

II. POLICY

Professional Service Contracts using capital funds must be publicly advertised and competitively negotiated procurements in accordance with FTA guidelines. Proposals will be solicited in a newspaper with general circulation, and specific firms from lists of eligible vendors will be solicited, in order to reach an adequate number of professional firms.

The process for an award of a Professional Service Contract under this PU-06-RC will be described in the Request for Proposals (RFP). The RFP will include a clear and accurate description of the technical requirements of the Professional Services to be acquired and a statement of work. The RFP will also include the evaluation criteria to be used, in relative importance, and all other considerations Metra deems relevant for the award of a Professional Service Contract. Any proposal which does not demonstrate the experience, expertise, and other factors necessary to assure achievement of the project's objectives may be eliminated from further consideration.

An independent Cost Estimate must be submitted with the requisition before soliciting proposals in order to establish a base cost for budgetary purposes. Metra will also perform a Cost Analysis of the offer accepted by Metra before entering into contract agreements with a professional services firm in order to measure the cost reasonableness of a proposal.

Metra will detail the significant history of the procurement and retain these records. Such records include, but are not limited to, the documentation relating to the rationale for the method of procurement, the selection of contract type, the basis of contractor selection or rejection using a criteria rating schedule for offers considered, and the basis for the

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**ARCHITECTURAL AND ENGINEERING
 SERVICES CONTRACTS
 (BROOKS METHOD)**

I. PURPOSE

This procedure sets forth policies and instructions for acquiring, administering, and terminating contracts for Architectural & Engineering services by Metra, regardless of the funding mechanism.

II. POLICY

Architectural & Engineering services are acquired by Metra using the "Brooks" procurement method regardless of the funding mechanism. The Brooks procurement method is based on the award of contracts for services such as architectural and engineering skills using a qualifications-based procurement analysis. Price is not a factor in determining the most qualified Offeror. Instead, Offerors' qualifications are evaluated and the most qualified Offeror is selected subject to the negotiation of fair and reasonable compensation.

Proposals will be solicited in a newspaper of general circulation and from Metra's vendor database of potential firms through direct mailings. No dollar value of any project will be directly or indirectly solicited in the initial Request for Proposals.

Requisitioner/User must mutually agree with DBE Administration on DBE requirements prior to involving the Professional Services/Contracts Division.

The process for an award of an Architectural & Engineering services contract will be described in the Request for Proposals (RFP). The RFP will include a clear and accurate description of the technical requirements of the Architectural & Engineering services to be acquired and a statement of work. The evaluation criteria, their relative value, and all other considerations to be used in making the award of an Architectural and Engineering services contract will be determined prior to solicitations. A list of criteria with their relative importance will be included in the RFP.

The evaluation of the proposals will be performed by a designated group that is specific for the solicitation. Any proposal which does not demonstrate the experience, expertise, and other factors necessary to assure achievement of the contract objectives may be eliminated from further consideration.

Contracts will be generally awarded on a maximum compensation basis. The contract will reflect a specified maximum amount, payment schedule, and method of payment. Advance payments prior to the incurrence of costs by the consultant is prohibited. The contract should not exceed five years including options, if any.

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**PROFESSIONAL SERVICE CONTRACTS
(GRANT-FUNDED, NON-BROOKS)**

I. PURPOSE

This procedure sets forth policies and instructions for the acquisition, administration, and termination of professional service contracts and blanket professional service contracts (hereafter, collectively referred to as "Professional Service Contract(s)" unless otherwise stated) by Metra, which are funded by federal, state, or local grants and which do not involve Architectural and Engineering services (NOTE: See PU-07-RC for Professional Service Contracts that are not funded by capital funds, and PU-08-RC for Architectural and Engineering Service Contracts).

II. POLICY:

GENERAL:

Professional Service Contracts are exempt from competitive bidding pursuant to MET Ordinance 94-18 or NIRC Ordinance 94-1, but must follow grant requirements for the applicable competitive negotiations process. Professional Service Contracts using capital funds must be publicly advertised and competitively negotiated procurements in accordance with FTA guidelines. Proposals will be solicited in a newspaper with general circulation, and specific firms from lists of eligible vendors will be solicited, in order to reach an adequate number of professional firms. The solicitation and contract documents should follow FTA Circular 4220.1F and the Procurement Regulations.

Proposals will be evaluated, negotiated, selected and any award shall be made in accordance with the criteria and procedures described below. The approach and procedures are those which are applicable to a competitive negotiated procurement whereby proposals are evaluated to determine which proposals are within a competitive range. Discussions and negotiations may then be carried out with Offerors within the competitive range. The Offeror selected will be the Offeror whose proposal is found to be most advantageous to Metra, based upon consideration of the Evaluation Criteria.

Metra personnel will maintain ethical standards in their professional activities. Metra personnel must avoid personal and organizational conflict-of-interest situations and avoid the appearance of such situations. Metra personnel are required to be familiar with Metra's ethics policies and all circumstances and persons covered by any type of conflict-of-interest situation.

Any proprietary information, methodology, or application that is contained in a proposal shall remain strictly confidential, will be screened for distribution only to those Metra personnel who require it for work directly connected with the project, and will not be distributed to persons not relevant to the project and not within reporting hierarchies at

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**PROFESSIONAL SERVICE CONTRACTS
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Metra which are relevant to the project. The confidentiality extends to the cost/profit figures contained in the proposals and the process of negotiations.

NARRATIVE DESCRIPTION OF PROCESS:

The process for a particular award of a Professional Service Contract will be described in the respective Request for Proposals (“RFP”) prepared by the Requisitioner/User. Services which are A & E services according to the Brooks Act, even though performed by a non-A & E firm, shall be considered A & E services. (See PU-08-RC).

Each RFP will be submitted by the Requisitioner/User to the Professional Services/ Contracts Division, together with a list of the specific Evaluation Criteria for the subject project, a statement of work that clearly, accurately and unambiguously describes the technical requirements for the service(s) to be procured, an independent Cost Estimate prepared by the Requisitioner/User to establish a base cost for budgetary purposes, and all other cost and non-cost related considerations the Requisitioner/User deems relevant for the award of a Professional Service Contract. The initial RFP prepared by the Requisitioner/User will be reviewed by the Professional Services/ Contracts Division who, after such review and in concert with the Requisitioner/User, will prepare the formal RFP. The formal RFP will be used by the Professional Services/ Contracts Division for the solicitation of proposals from Offerors.

Proposals with respect to a given RFP will be solicited through the use of advertisement in a newspaper of general circulation, e-mail notification to Offerors selected from Metra's vendor database, and posting on Metra's web site. The Professional Services/ Contracts Division, with the assistance of the Requisitioner/User, may coordinate the scheduling of a pre-proposal conference to clarify requirements and answer questions from potential Offerors. Attendance at such pre-proposal conference however, by potential Offeror(s) is not mandatory and absence at such a conference will not be used to treat an Offeror as non-responsive.

The evaluation of the proposals received with respect to a given RFP will be performed by the respective Evaluation Committee. Proposals with respect to an RFP will be first received by the Professional Services/ Contracts Division and first opened, in the presence of a witness, on the respective proposal due date. The Professional Services/ Contracts Division will perform an initial review and complete a Responsibility Determination Form with respect to each proposal. Any potential Offeror which does not demonstrate that they are a responsive Offeror necessary to assure achievement of the RFP objectives may be eliminated from further consideration. Proposals accepted by the Professional Services/ Contracts Division for consideration will be forwarded to the Evaluation Committee for review.

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- Maintain all substantive records and correspondence with respect to each RFP, including the information identified in Section II above, in respective procurement file (other than large maps, drawing and plans which are to be kept in respective department file).

Material Management Department

- Reviews Professional Service Contracts and approves as appropriate.

Requisitioner/User

- Establishes project objectives, the tentative scope of work, and the Evaluation Criteria.
- Determines budgetary support limits and tentative project scheduling.
- Prepares initial Purchase Requisition and RFP.
- Prepares is a statement of work that clearly, accurately and unambiguously describes the technical requirements for the service(s) to be procured.
- Prepares an independent Cost Estimate.
- Determines the importance of contract completion or milestone date(s) so that the appropriate actions can be taken if noncompliance of the terms has occurred.
- Submits the RFP to DBE Administration for review of compliance with applicable DBE guidelines.
- Submits the RFP reviewed by DBE Administration to the General Development Department for review of compliance with applicable funding guidelines. Identifies appropriate funding account(s) and inputs onto the Purchase Requisition.
- Submits the RFP reviewed by the General Development Department to the Professional Services/ Contracts Division.
- Submits list of additional prospective proposed Offerors, if any.
- In concert with Professional Services/ Contracts Division, identifies Evaluation Committee for review of proposals and Contact Person to answer technical-related questions from prospective Offerors.
- Monitors contract performance by Offeror and notifies Professional Services/ Contracts Division upon completion or non-compliance.

Risk Management

- Determines insurance requirements for Professional Service Contracts.

Sr. Division Director General Administration

- Reviews Professional Service Contracts and approves as appropriate.

V. INSTRUCTIONS

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**ARCHITECTURAL AND ENGINEERING
SERVICES CONTRACTS
(BROOKS METHOD)**

I. PURPOSE

This procedure sets forth policies and instructions for acquiring, administering, and terminating contracts for A & E services by Metra, regardless of the funding mechanism.

II. POLICY:

GENERAL:

A & E services are acquired by Metra using the "Brooks" procurement method regardless of the funding mechanism. The Brooks procurement method is based on the award of contracts for services such as A & E services using a qualifications-based procurement analysis. Price is not a factor in determining the most qualified Offeror. Instead, each Offeror's qualifications are evaluated and the most qualified Offeror is selected subject to the negotiation of fair and reasonable compensation.

Proposals will be evaluated, negotiated, selected and any award shall be made in accordance with the criteria and procedures described below. The approach and procedures are those which are applicable to a competitive negotiated procurement whereby proposals are evaluated to determine which proposals are within a competitive range. Discussions and negotiations may then be carried out with Offerors within the competitive range. The Offeror selected will be the Offeror whose proposal is found to be most advantageous to Metra, based upon consideration of the Evaluation Criteria.

Metra personnel will maintain ethical standards in their professional activities. Metra personnel must avoid personal and organizational conflict-of-interest situations and avoid the appearance of such situations. Metra personnel are required to be familiar with Metra's ethics policies and all circumstances and persons covered by any type of conflict-of-interest situation.

Any proprietary information, methodology, or application that is contained in a proposal shall remain strictly confidential, will be screened for distribution only to those Metra personnel who require it for work directly connected with the project, and will not be distributed to persons not relevant to the project and not within reporting hierarchies at Metra which are relevant to the project. The confidentiality extends to the cost/profit figures contained in the proposals and the process of negotiations.

NARRATIVE DESCRIPTION OF PROCESS:

The process for a particular award of an Architectural & Engineering (A & E) services contract will be described in the respective Request for Proposals ("RFP") prepared by the

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Requisitioner/User. Services which are not A & E services according to the Brooks Act, even though performed by an A & E firm, shall be considered professional services. (See PU-06-RC or PU-07-RC).

Each RFP will be submitted by the Requisitioner/User to the Professional Services/ Contracts Division, together with a list of the specific Evaluation Criteria for the subject project, a statement of work that is clear and an accurate description of the technical requirements for the service(s) to be procured, and an independent Cost Estimate prepared by the Requisitioner/User to establish a base cost for budgetary purposes. The initial RFP prepared by the Requisitioner/User will be reviewed by the Professional Services/ Contracts Division who, after such review and in concert with the Requisitioner/User, will prepare the formal RFP. No dollar value of any project will be directly or indirectly solicited in the formal RFP. The formal RFP will be used by the Professional Services/ Contracts Division for the solicitation of proposals from Offerors.

Proposals with respect to a given RFP will be solicited through the use of advertisement in a newspaper of general circulation, e-mail notification to Offerors selected from Metra's vendor database, and posting on Metra's web site. The Professional Services/ Contracts Division, with the assistance of the Requisitioner/User, may coordinate the scheduling of a pre-proposal conference to clarify requirements and answer questions from potential Offerors. Attendance at such pre-proposal conference however, by potential Offeror(s) is not mandatory and absence at such a conference will not be used to treat an Offeror as non-responsive.

The evaluation of the proposals received with respect to a given RFP will be performed by the respective Evaluation Committee. Proposals with respect to an RFP will be first received by the Professional Services/ Contracts Division and first opened, in the presence of a witness, on the respective proposal due date. The Professional Services/ Contracts Division will perform an initial review and complete a Responsibility Determination Form with respect to each proposal. Any potential Offeror which does not demonstrate that they are a responsive Offeror necessary to assure achievement of the RFP objectives may be eliminated from further consideration. Proposals accepted by the Professional Services/ Contracts Division for consideration will be forwarded to the Evaluation Committee for review.

Each proposal accepted for consideration will be evaluated by the Evaluation Committee, first individually by each member then collectively as a group, based on the Evaluation Criteria provided in the subject RFP. The Evaluation Committee shall make a preliminary evaluation of the submitted proposals to identify, normally, no less than the three highest ranked Offerors based on the subject Evaluation Criteria with which the Professional Services/ Contracts Division shall arrange to engage in further discussions.

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- Obtains and/or performs pre-award Cost Analysis of proposals, in consultation with the Requisitioner/User, to determine the reasonableness of the final Offeror's costs.
- Negotiates and coordinates award of final contract to highest ranked Offeror(s) (or subsequently ranked Offeror(s), as applicable).
- Coordinates on-going administrative duties that are not directly related to the monitoring of the work performance, such as correspondence meeting minutes.
- Upon notification from Requisitioner/User, attempts to obtain compliance with contract provisions from non-complying Consultants and/or takes remedial actions with respect to the subject contract (including without limitation cancellation of the contract) as necessary.
- Completes Checklist-RFP's for each RFP.
- Maintain all substantive records and correspondence with respect to each RFP, including the information identified in Section II above, in respective procurement file (other than large maps, drawing and plans which are to be kept in respective department file).

Material Management Department

- Reviews contracts and approves as appropriate.

Requisitioner/User

- Establishes project objectives, the tentative scope of work, and the Evaluation Criteria.
- Determines budgetary support limits and tentative project scheduling.
- Prepares the initial Purchase Requisition and RFP. Prepares a clear, accurate description of the technical requirements, and unambiguously as possible for the services(s) to be procured.
- Prepares an independent Cost Estimate.
- Determines the importance of contract completion or milestone date(s) so that the appropriate actions can be taken if noncompliance of the terms has occurred.
- Submits the RFP to DBE Administration for review of compliance with applicable DBE guidelines.
- Submits the RFP reviewed by DBE Administration to the General Development Department for review of compliance with applicable funding guidelines. Identifies appropriate funding account(s) and inputs onto the Purchase Requisition.
- Submits the RFP reviewed by the General Development Department to the Professional Services/ Contracts Division.
- Submits list of additional prospective proposed Offerors, if any.
- In concert with Professional Services/ Contracts Division, identifies Evaluation Committee for review of proposals and Contact Person to answer technical-related questions from prospective Offerors.

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