



## Board Report

File #: 2019-0187, File Type: Contract

Agenda Number: 30.

### CONSTRUCTION COMMITTEE MAY 16, 2019

**SUBJECT: CONSTRUCTION MANAGEMENT SUPPORT SERVICES FOR BUS CAPITAL PROJECTS**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

AUTHORIZE:

- A. an increase to the total funding for Contract PS26331 with MARRS Services, Inc., for pending and future task orders to provide Construction Management Support Services (CMSS) in an amount not to exceed \$3,000,000, increasing the total value from \$3,000,000 to \$6,000,000;
- B. the Chief Executive Officer to exercise the two one-year options in Contract PS26331; and
- C. the Chief Executive Officer to execute individual Task Orders (TOs) and Contract Modifications within the Board approved contract funding amount.

#### **ISSUE**

On October 27, 2016, the Board of Directors awarded Contract No. PS26331 to MARRS Services, Inc. for Construction Management Support Services (CMSS) for Metro Bus Projects, for a base term of three (3) years, plus two one (1) year options, in the not-to-exceed amount of \$3,000,000. Staff has issued task orders to date totaling an amount not to exceed \$2,971,154.24, and \$28,845.76 authorized funds remaining. As a result, the amount of authorized funds remaining is not sufficient to support bus facilities construction contracts that are currently in planning or already under contract. Staff is also unable to execute modifications to existing task orders for projects already under construction. With no other contract for CMSS in support of bus services contracts and ample contract duration available, staff seeks an increase to the authorized funding for the contract.

#### **BACKGROUND**

Contract No. PS26331 was executed on January 27, 2017 and Notice to Proceed issued on January 31, 2017. The first Task Order was issued in April 2017.

The primary role of the CMSS consultant is to provide skilled and qualified Construction Management Support Services staff in support of Metro's bus facilities construction contracts. Both Metro and

CMSS staff, in most cases, work side-by-side in integrated project management offices (IPMOs). The CMSS contract allows Metro to efficiently and effectively augment its Construction Management staff as required, so that the proper resources are available to manage contracts with the necessary technical expertise.

The CMSS contract funds are authorized by issuing separate Task Orders (TOs) for various projects using labor classifications and rates set forth in the contract, and each TO is funded by the individual project funding the construction contract. This method of contracting results in more efficient cost and schedule management, since TOs and modifications to existing TOs are negotiated and issued when necessary or when additional work is identified. Each TO or TO modification requires staff to prepare a scope of work and an estimate of hours, and the Consultant subsequently provides a Cost Schedule Proposal (CSP). If there is a discrepancy, Metro and the Consultant complete fact-finding and negotiate the hours. After an agreement is reached, the task order is issued and the work proceeds.

## **DISCUSSION**

### Findings

When Metro Staff went to the Board in October 2016 for authorization to award Contract PS26331 to MARRS Services Inc., it listed several bus capital projects. The initial \$3,000,000 was calculated by assuming staff would issue approximately 30 small to mid-sized TOs primarily for inspectors and night-time oversight of construction work of Board Approved bus-related capital projects. Since then, staff has also used MARRS for Construction Management Support Services for bus related projects funded by other Metro Departments. Examples of projects funded by other departments include the Culver City Bike Hub and the Bus Shelters at Metro Rapid Bus Stations. Staff has also used MARRS for CMSS on Metro's underground storage tank (UST) replacement program, something not originally anticipated when staff sought the original authorization to award Contract PS26331. Staff has issued TO 3 in the amount of \$587,360 and TO 13 in the amount of \$124,259 to support the UST replacement program. Combined, both TOs total over \$711,000 in value and are about a quarter of the original \$3,000,000 award. Staff has also issued TO 8 for QA/QC support services for the Patsaouras Plaza Busway Station in the amount \$661,261. See attachment B for detailed TOs and Modifications log.

### Considerations

Several capital projects fund multiple construction contracts. Staff will soon need to modify existing TOs issued for projects still under construction. Staff has considered not using MARRS for construction projects funded by outside departments. However, the notion was dismissed because it is precisely Metro's intent to have MARRS provide resources for projects where sufficient Metro staff in Program Management are not available.

## **DETERMINATION OF SAFETY IMPACT**

This Board action will not have an impact on established safety standards for Metro construction projects.

### **FINANCIAL IMPACT**

The funding for these services is included in the approved FY19 budget in various bus facilities capital projects. Task Orders will be issued and funded from the associated life-of-project (LOP) budgets. The funding source differs depending on the individual project. These activities will remain within the approved life-of-project budget for each respective project.

Since this is a multi-year contract, the cost center manager, respective project managers, and the Chief Program Management Officer will be accountable for budgeting the cost of the annual work for each fiscal year for the term of the contract, including the options exercised.

#### **Impact to Budget**

Funding for this action will come from the individual bus facilities capital projects utilizing this CMSS contract. The planned funding sources for these projects are bus capital eligible local funding source such as TDA Article 4 and Enterprise Fund as well as specific federal grants on the particular projects. Approval of this action will result in use of funding which may also be eligible for Bus and Rail Operations.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

Approval of this recommendation supports the following Metro Strategic Plan Goal 1: Provide high quality mobility options that enable people to spend less time traveling. This contract amendment will help expand the transportation system with targeted infrastructure and service investments.

### **ALTERNATIVES CONSIDERED**

The Board may elect to discontinue using MARRS Services, Inc., for CMSS services. Staff does not recommend this alternative as the construction projects they are assigned to are in various degrees of completion and the loss of staff would cause these projects to be significantly impacted.

Another alternative would be to hire Metro staff to perform the required services. This alternative is also not recommended since the intent of the CMSS contract is to augment Metro staff in terms of technical expertise and availability of personnel. CMSS are typically required on a periodic basis to accommodate for peak workloads or specific tasks over the life of the projects. Further, for some projects, the specific technical expertise required may not be available within the ranks of Metro staff, whereas the CMSS consultant can provide the technical expertise on an as-needed basis. Staff consistently monitors its workload, availability of appropriate staff, and future project requirements in order to achieve the appropriate balance between staff and consultant resources.

### **NEXT STEPS**

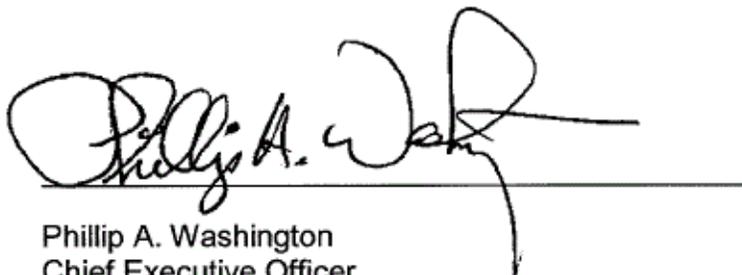
Upon Board approval, staff will issue a contract modification, and issue or modify task orders, as needed.

**ATTACHMENTS**

- Attachment A - Procurement Summary
- Attachment B - Contract Task Order/Modification Log
- Attachment C - DEOD Summary

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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

CONSTRUCTION MANAGEMENT SUPPORT SERVICES FOR METRO BUS  
PROJECTS / CONTRACT NO. PS26331

1.	<b>Contract Number:</b> PS26331		
2.	<b>Contractor:</b> MARRS Services, Inc.		
3.	<b>Mod. Work Description:</b> Increase not-to-exceed funding amount from \$3,000,000 to \$6,000,000 and execute individual Task Orders and Contract Modifications.		
4.	<b>Contract Work Description:</b> Construction Management Support Services		
5.	<b>The following data is current as of:</b> April 4, 2019		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	10/27/16	<b>Contract Award Amount:</b> NTE \$3,000,000
	<b>Notice to Proceed (NTP):</b>	1/31/17	<b>Total Approved and Pending Task Orders and Modifications:</b> \$2,971,154.24
	<b>Original Complete Date:</b>	1/31/22	<b>Proposed Task Orders and Modifications (including this action):</b> \$3,000,000
	<b>Current Est. Complete Date:</b>	1/31/22	<b>Current Contract Value (with this action):</b> \$6,000,000
7.	<b>Contract Administrator:</b> Diana Sogomonyan		<b>Telephone Number:</b> (213) 922-7243
8.	<b>Project Manager:</b> Brad Owen		<b>Telephone Number:</b> (213) 418-3143

**A. Procurement Background**

On October 27, 2016, the Board of Directors approved award of Contract No. PS26331 to MARRS Services, Inc. in the amount not-to-exceed \$3,000,000, to provide Construction Management Support Services (CMSS) for Metro Bus Projects, for a base term of three (3) years plus two one (1) year options, in support of the design review, construction management, and administration of new and ongoing construction contracts, to ensure that the construction of various projects are administered and completed in compliance with contract requirements and government regulations.

The Contract Scope of Services is comprehensive and describes the anticipated services to be provided by the CMSS. The CMSS provides support and assistance with skilled and qualified individuals to perform the various tasks through individual Task Orders (TOs) issued for specified work on a project. Support services may include Resident Engineering, Inspection Support Services, Quality Engineering,

Third Party Coordination, Construction Safety, Cost Estimating, Project Controls, and other administration services.

Eighteen (18) Task Orders have been issued to MARRS Services, Inc., to date, including twenty-two (22) Task Order modifications. One (1) Contract Modification has been processed on the Contract. One (1) Contract Task Order Modifications is currently in negotiations and fifteen (15) future Task Orders are identified for anticipated Scope of Services. Refer to Attachment B for detailed log of approved and proposed Contract Task Orders/Modifications.

This Board action is to approve an increase to the total authorized funding for Contract No. PS26331, to continue providing Construction Management Support Services. This action will allow staff to execute pending Task Orders and new Task Orders and Modifications as project needs dictate. Contract Modifications and Task Orders will be processed in accordance with Metro's Acquisition Policy. Contract No. PS26331 is a cost plus fixed fee (CPFF) Contract.

#### **B. Cost/Price Analysis**

All direct labor rates and the negotiated fixed fee factor for this cost reimbursable plus fixed fee contract remain unchanged from the original contract. A fair and reasonable price for all future Task Orders will be determined based upon fact finding, technical evaluation, cost analysis, and negotiations, before issuing work to the Consultant. Task Orders will be processed in accordance with Procurement Policies and Procedures, within the additional funding requested.

## CONTRACT MODIFICATION/TASK ORDER LOG

CONSTRUCTION MANAGEMENT SUPPORT SERVICES FOR METRO BUS  
PROJECTS / CONTRACT NO. PS26331

Mod./Task Order No.	Description	Status (approved or pending)	Date	\$ Amount
N/A	Initial Authorized Funding	Approved	10/27/16	\$3,000,000
TO 1	CMSS for BOS Funded Phase 2 Bus Facilities Project – Inspection Support Services	Approved	5/30/17	\$99,487.10
TO 1.1	CMSS for BOS Funded Phase 2 Bus Facilities Project – Inspection Support Services – Extend Period of Performance (POP)	Approved	2/12/18	\$0.00
TO 1.2.1	BOS Funded Phase 2 Bus Facilities Project - Inspection Support Services - Additional Funding and Extend POP	Approved	9/24/18	\$103,904
TO 2	CMSS for the Bus Facility Improvements Phase 3 Project - Inspection Support Services	Approved	5/30/17	\$83,064.90
TO 2.1	CMSS for the Bus Facility Improvements Phase 3 Project - Continue Inspection Support Srvc	Approved	4/17/18	\$86,996.95
TO 2.2	CMSS for the Bus Facility Improvements Phase 3 Project - Continued Inspection Support Srvc	Approved	9/24/18	\$86,996.95
TO 3	CMSS for Environmental Programs & Construction Consultant Support	Approved	4/28/17	\$45,030.72
TO 3.1	CMSS for Environmental Programs & Construction Consultant Support	Approved	7/28/17	\$267,846.18
TO 3.2	CMSS Environmental Programs & Construction Support -	Approved	6/29/18	\$60,000

	Continued Support in FY19			
TO 3.3	CMSS Environmental Programs & Construction Support - Continued Support	Approved	1/25/19	\$214,484
TO 4	CMSS for Capital Project 202260, Div 3 Improvements - Inspection Support	Approved	6/27/17	\$32,844.40
TO 4.1	Close-Out Task Order - CMSS for Capital Project 202260, Div 3 Improvements - Inspection Support	Approved	4/9/19	(\$1,113.44)
TO 5	CMSS for Capital Project 202326 BRT Sound Enclosures - Inspection Support	Approved	6/27/17	\$83,064.90
TO 5.1	Close-Out Task Order - CMSS for Capital Project 202326 BRT Sound Enclosures - Inspection Support	Approved	4/9/19	(\$9,913.39)
TO 6	CMSS for Capital Project 208097 Non-Revenue Maint. Building at Vernon Yard	Approved	11/30/17	\$29,998.97
TO 6.1	Close-out Task Order - CMSS for Capital Project 208097 Non-Revenue Maint. Building at Vernon Yard	Approved	4/9/19	(\$2,664.25)
TO 7	CMSS for Capital Project 308012 Culver City Bike Hub Project - Inspection Support	Approved	1/23/18	\$32,762.51
TO 7.1	CMSS for Capital Project 308012 Culver City Bike Hub Project - Inspection Support - Add Additional Hours for Inspection Support	Approved	8/3/18	\$26,395
TO 7.2	CMSS for Capital Project 308012 Culver City Bike Hub Project - Inspection Support - Add Additional Hours for Inspection Support Continued	Approved	1/25/19	\$22,846
TO 8	QA/QC Support Services for Capital Project 202317 Patsaouras Plaza	Approved	1/23/18	\$95,603.61
TO 8.1	QA/QC Support Services for Capital Project 202317 Patsaouras Plaza - Ongoing QA/QC Support	Approved	5/23/18	\$288,082

TO 8.2	QA/QC Support Services for Capital Project 202317 Patsaouras Plaza - Ongoing QA/QC Support	Approved	2/28/19	\$277,576
TO 9	Capital Project 202324 Div 1 Improvements - Inspection Support Services	Approved	1/22/18	\$136,997.79
TO 10	CMSS Support Services for Project 202334 CNG Detection and Alarm Improvements	Approved	3/20/18	\$192,967.17
TO 10.1	Close-Out Task Order - CMSS Support Services for Project 202334 CNG Detection and Alarm Improvements	Approved	4/9/19	(\$45,279.36)
TO 11	CMSS Support Services for Capital Project 201073 Orange Line ZEB Charging Stations	Approved	3/20/18	\$68,285.78
TO 11.1	CMSS Support Services for Capital Project 201073 Orange Line ZEB Charging Stations-Continued Support	Approved	1/17/19	\$164,405
TO 12	CMSS Support Services for Capital Project 202319 Silver Line Improvements HGTC	Approved	5/3/18	\$54,882.25
TO 12.1	Close-Out Task Order - CMSS Support Services for Capital Project 202319 Silver Line Improvements HGTC	Approved	4/9/19	(\$33,053.01)
TO 13	CMSS Support Services for Project 308011 Parking Facilities Refurbishments	Approved	6/6/18	\$73,200.50
TO 13.1	CMSS Support Services for Project 308011 Parking Facilities Refurbishments- Additional RE and Continued Inspection	Approved	2/27/19	\$51,059
TO 14	CMSS Support Services for Project 202212 for the ECSD - Environmental Specialist	Approved	6/4/18	\$143,000
TO 14.1	CMSS Support Services for Project 202212 for the ECSD - Environmental Specialist	Pending	---	\$61,242
TO 15	CMSS for Capital Project 405401 - Field Inspector Support - Metro Rapid Bus Station Improvements	Approved	7/11/18	\$37,703
TO 15.1	Close-Out Task Order - CMSS	Approved	4/9/19	(\$24,831.99)

	for Capital Project 405401 - Field Inspector Support - Metro Rapid Bus Station Improvements			
TO 16	CMSS Support Services for Project 202809 - Field Inspector Support - Permeable Pavement	Approved	7/11/18	\$28,371
TO 16.1	CMSS Support Services for Project 202809 - Continued Permeable Pavement Inspections Support at Division 4	Approved	8/22/18	\$18,266
TO 16.2	CMSS Support Services for Project 202809 - Continued Permeable Pavement Inspections Support at Division 4	Approved	1/17/19	\$3,339
TO 17	CMSS Support Services for Project 204083 - Field Inspector Support Field Inspector Support - LRT Sound Enclosures	Canceled	---	---
TO 18	Field Inspector Support for Chandler Parking Lot	Approved	1/11/19	\$117,307
MOD 1	Economic Price Adjustment for Year 2	Approved	5/23/18	\$0.00
<b>Subtotal Approved and Pending Task Orders and Modifications</b>				<b>\$2,971,154.24</b>
<b>PROPOSED TASK ORDERS AND MODIFICATIONS</b>				
TO 2.3	Bus Facility Improvements Phase 3 Projects FY19	Proposed	---	\$199,184
TO 2.4	Bus Facility Improvements Phase 3 Projects FY20	Proposed	---	\$180,625
TO 2.5	Bus Facility Improvements Phase 3 Projects FY21	Proposed	---	\$110,000
TO 8.3	QA/QC Support for Patsaouras Plaza Busway Station FY20	Proposed	---	\$175,000
TO 9.1	Project 202324, Division 1 Bus Improvements (remaining FY19)	Proposed	---	\$55,000
TO 9.2	Project 202324, Division 1 Bus Improvements FY20	Proposed	---	\$117,500
TO 9.3	Project 202324, Division 1 Bus Improvements FY21	Proposed	---	\$50,000
TO 11.2	Project 201073 Orange Line Charging Stations Division 8 (C1185)	Proposed	---	\$232,691
TO 14.2	Environmental Programs & Construction FY20	Proposed	---	\$500,000
TO 14.3	Environmental Programs &	Proposed	---	\$500,000

	Construction FY21			
TBD	C1185 Orange Line en route Bus Charging Stations	Proposed	---	\$400,000
TBD	Cesar Chavez Station	Proposed	---	\$85,000
TBD	El Monte Stations Exhaust Fans	Proposed	---	\$175,000
TBD	New Roof at Division 5	Proposed	---	\$110,000
TBD	New Roof at Division 8	Proposed	---	\$110,000
<b>Subtotal Proposed Task Orders and Modifications</b>				<b>\$3,000,000</b>
<b>Subtotal Approved Task Orders and Modifications:</b>				<b>\$2,971,154.24</b>
<b>Subtotal Balance of Authorized Funding:</b>				<b>\$ 28,845.76</b>
<b>Subtotal Proposed Task Orders and Modifications:</b>				<b>\$3,000,000</b>
<b>Total:</b>				<b>\$6,000,000</b>

**DEOD SUMMARY**

**CONSTRUCTION MANAGEMENT SUPPORT SERVICES FOR METRO BUS PROJECTS / CONTRACT NO. PS26331**

**A. Small Business Participation**

MARRS Services, Inc., (MARRS) a Small Business Enterprise (SBE) Prime, made an overall 75% SBE commitment for this contract. The project is 58% complete. MARRS is exceeding its SBE commitment with a current SBE participation of 76.71%. MARRS has utilized two SBE subcontractors, Ramos Consulting Services, Inc. and Morgner Construction Management (MCM). MCM has confirmed that they have yet to submit an invoice to MARRS for work completed. MARRS indicated that the remaining SBEs will be utilized as task orders are issued in their respective scopes of work.

**SMALL BUSINESS SET-ASIDE**

	<b>SBE Contractors</b>	<b>% SBE Commitment</b>	<b>Current Participation</b>
1.	MARRS Service, Inc. (Prime)	N/A	72.68%
2.	BASE architecture, Planning & Engineering	N/A	0%
3.	Falcon Engineering Services, Inc.	N/A	0%
4.	Morgner Construction Management	N/A	0%
5.	Ramos Consulting Services, Inc.	N/A	4.03%
6.	Safework, Inc.	N/A	0%
7.	Wagner Engineering, Inc	N/A	0%
<b>Total</b>		<b>75%</b>	<b>76.71%</b>

<sup>1</sup>Current Participation – Total Actual Amount Paid-to-Date to SBE Firms / Total Actual Amount Paid-to-Date to Prime

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

**C. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA). Trades that may be covered include: surveying, potholing, field, soils and materials testing, building construction inspection, construction management and other support trades.

**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.