



Board Report

File #: 2021-0095, File Type: Contract

Agenda Number: 32.

**CONSTRUCTION COMMITTEE
APRIL 15, 2021**

**SUBJECT: FUND ADMINISTRATOR FOR METRO PILOT BUSINESS INTERRUPTION FUND
(BIF)**

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to execute Modification No. 3 to the Business Interruption Fund (BIF) Administration Services Contract No. PS56079000 with Pacific Coast Regional Small Business Development Corporation (PCR) to exercise the first one-year option in the amount of \$720,882, increasing the total contract value from \$1,685,246 to \$2,406,128, to continue to serve as the fund administrator for Metro’s Pilot BIF and extending the period of performance from May 1, 2021 to April 30, 2022.

- B. INCREASING Contract Modification Authority (CMA) specific to Contract No. PS56079000 in the amount of \$120,000 increasing the total CMA amount from \$158,524 to \$278,524 to support additional services related to BIF fund administration inclusive of the expansion of the BIF to directly impacted and qualifying “mom and pop” businesses.

ISSUE

On February 28, 2019, Metro Board of Directors approved the award of Metro’s BIF Administration Services Contract program in the amount of \$3,348,010, inclusive of a two-year base term, plus two (2), one-year options. The existing two-year base contract period is due to expire April 30, 2021.

Board authorization is requested to exercise the first one-year option to continue support of the ongoing implementation of the BIF as approved by Metro’s Board of Directors.

DISCUSSION

Metro has continued to provide financial assistance to directly impacted eligible businesses through the contracted professional services of PCR, a Community Development Financial Institution (CDFI) and Small Business Development Center (SBDC) serving as the BIF fund administrator.

Staff, along with PCR, continues to implement various outreach activities and methods to inform and educate small businesses about the BIF, provide direct support throughout the application process and link businesses to other small business support services such as Metro's Crenshaw/LAX Transit Business Solution Center (BSC), Metro's Little Tokyo Community Relation Office and/or the Little Tokyo Small Business Solution Center co-located at Metro's Community Relations office including PCR's Small Business Development Corporation; and Metro's Eat-Shop-Play program.

DETERMINATION OF SAFETY IMPACT

The approval of the recommendation above will have no negative impact on the safety of Metro employees or passengers.

FINANCIAL IMPACT

The administrative cost for the implementation of the program is allocated from Measure R Administration funds. Funds for FY21 are currently budgeted in Cost Center 0691 Non-Departmental Procurement Project Number 100055, Project Name - Admin-Measure R Task 06.02. Furthermore, Vendor/Contract Management has requested the necessary funds in the submitted FY22 budget request, which is currently under review, in support of program activities within the aforementioned cost center, project and task.

Impact to Budget

Measure R Administration funds were previously identified as eligible for this expense through prior Board of Directors authorization and approval. The annual appropriation of the funding source does not impact transit operations and/or capital projects/programs.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of this item aligns to Metro strategic goal 3 - enhance communities and lives through mobility and access to opportunity, and goal 5 - provide responsive, accountable, and trustworthy governance within the Metro organization.

ALTERNATIVES CONSIDERED

Staff considered utilizing Metro staff to perform the fund administration services for BIF. This alternative is not recommended, because Metro does not have the required staffing availability, dedicated resources or expertise to serve as a financial administrator such as those possessed by a community development financial institution.

NEXT STEPS

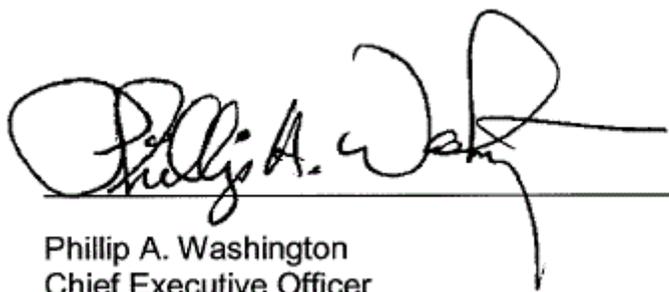
Upon Board approval, staff will execute Modification No. 3 to exercise the first option of the BIF Administration Services Contract No. PS56079000 with PCR.

ATTACHMENT

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

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418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

BUSINESS INTERRUPTION FUND ADMINISTRATION SERVICES/PS56079000

1.	Contract Number: PS56079000		
2.	Contractor: Pacific Coast Regional Small Business Development Corporation (PCR)		
3.	Mod. Work Description: Exercise One-Year Option Term		
4.	Contract Work Description: Business Interruption Fund Administration Services		
5.	The following data is current as of: 3/5/21		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	2/28/19	Contract Award Amount: \$1,585,246
	Notice to Proceed (NTP):	3/12/19	Total of Modifications Approved: \$100,000
	Original Complete Date:	3/11/21	Pending Modifications (including this action): \$720,882
	Current Est. Complete Date:	4/30/22	Current Contract Value (with this action): \$2,406,128
7.	Contract Administrator: Lily Lopez		Telephone Number: (213) 922-4639
8.	Project Manager: Kyle Wagner		Telephone Number: (213) 418-3336

A. Procurement Background

This Board Action is to approve Contract Modification No. 3 issued to exercise the first one-year option term of the Metro Business Interruption Fund (BIF) Administration Services Contract No. PS56079000 to PCR.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is firm fixed price.

On February 28, 2019, the Board awarded firm fixed price Contract No. PS56079000 to PCR for a two-year base period in the amount of \$1,585,246 with two, one-year options, with an optional start-up for the inclusion of future new rail lines in this pilot.

Two modifications have been issued to date.

Refer to Attachment B – Contract Modification/Change Order Log.

B. Cost Analysis

The recommended price has been determined to be fair and reasonable based on pricing that was evaluated as part of the competitive contract awarded in 2019. Pricing remains unchanged.

Proposal Amount	Metro ICE	Modification Amount
\$903,655.86	\$706,708.15	\$720,882

CONTRACT MODIFICATION/CHANGE ORDER LOG

BUSINESS INTERRUPTION FUND ADMINISTRATION SERVICES/PS56079000

Mod. No.	Description	Status (approved or pending)	Date	\$ Amount
1	Reallocated unused funds from year 1 to year 2.	Approved	10/5/20	\$0
2	Additional level of effort required and extension of period of performance (POP) through 4/30/21.	Approved	3/4/21	\$100,000
3	Exercise One-Year Option extending POP through 4/30/22.	Pending	Pending	\$720,882
	Modification Total:			\$820,882
	Original Contract:	Approved	2/28/19	\$1,585,246
	Total:			\$2,406,128

DEOD SUMMARY

METRO PILOT BUSINESS INTERRUPTION FUND / CONTRACT NO. PS56079000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not establish a Small/Disabled Veteran Business Enterprise (SBE/DVBE) goal for this procurement due to the lack of certified service providers. PCR is expected to perform this work with its own workforce.

B. Living Wage and Service Contract Worker Retention Policy Applicability

A review of the current service contract indicates that the Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) was not applicable at the time of award. Therefore, the LW/SCWRP is not applicable to this modification.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this modification.

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.