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**Agenda - Final**

**Thursday, June 17, 2021**

**12:00 PM**

To give written or live public comment, please see the top of page 4

**Construction Committee**

*Janice Hahn, Chair*

*Tim Sandoval, Vice Chair*

*Kathryn Barger*

*Jacquelyn Dupont-Walker*

*Fernando Dutra*

*Tony Tavares, non-voting member*

*Stephanie Wiggins, Chief Executive Officer*

## **METROPOLITAN TRANSPORTATION AUTHORITY BOARD RULES**

### **(ALSO APPLIES TO BOARD COMMITTEES)**

#### **PUBLIC INPUT**

A member of the public may address the Board on agenda items, before or during the Board or Committee's consideration of the item for one (1) minute per item, or at the discretion of the Chair. A request to address the Board must be submitted electronically using the tablets available in the Board Room lobby. Individuals requesting to speak will be allowed to speak for a total of three (3) minutes per meeting on agenda items in one minute increments per item. For individuals requiring translation service, time allowed will be doubled. The Board shall reserve the right to limit redundant or repetitive comment.

The public may also address the Board on non agenda items within the subject matter jurisdiction of the Board during the public comment period, which will be held at the beginning and/or end of each meeting. Each person will be allowed to speak for one (1) minute during this Public Comment period or at the discretion of the Chair. Speakers will be called according to the order in which their requests are submitted. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

Notwithstanding the foregoing, and in accordance with the Brown Act, this agenda does not provide an opportunity for members of the public to address the Board on any Consent Calendar agenda item that has already been considered by a Committee, composed exclusively of members of the Board, at a public meeting wherein all interested members of the public were afforded the opportunity to address the Committee on the item, before or during the Committee's consideration of the item, and which has not been substantially changed since the Committee heard the item.

In accordance with State Law (Brown Act), all matters to be acted on by the MTA Board must be posted at least 72 hours prior to the Board meeting. In case of emergency, or when a subject matter arises subsequent to the posting of the agenda, upon making certain findings, the Board may act on an item that is not on the posted agenda.

**CONDUCT IN THE BOARD ROOM** - The following rules pertain to conduct at Metropolitan Transportation Authority meetings:

**REMOVAL FROM THE BOARD ROOM** The Chair shall order removed from the Board Room any person who commits the following acts with respect to any meeting of the MTA Board:

- a. Disorderly behavior toward the Board or any member of the staff thereof, tending to interrupt the due and orderly course of said meeting.
- b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting.
- c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Board; and
- d. Any other unlawful interference with the due and orderly course of said meeting.

#### **INFORMATION RELATING TO AGENDAS AND ACTIONS OF THE BOARD**

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## LIMITED ENGLISH PROFICIENCY

A Spanish language interpreter is available at all Committee and Board Meetings. All other languages must be requested 72 hours in advance of the meeting by calling (213) 922-4600 or (323) 466-3876. Live Public Comment Instructions can also be translated if requested 72 hours in advance.



**323.466.3876**

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Live public comment can only be given by telephone.

The Committee Meeting begins at 12:00 PM Pacific Time on June 17, 2021; you may join the call 5 minutes prior to the start of the meeting.

Dial-in: 888-251-2949 and enter  
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Los comentarios publicos en vivo solo se pueden dar por telefono.

La Reunion de la Junta comienza a las 12:00 PM, hora del Pacifico, el 17 de Junio de 2021. Puedes unirte a la llamada 5 minutos antes del comienso de la junta.

Marque: 888-251-2949 y ingrese el codigo  
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***Los comentarios del público se pueden tomar al comienzo de la reunión o cuando se toma cada tema. Para dar un comentario público sobre una tema ingrese # 2 (Tecla de numero y dos) cuando se le solicite. Tenga en cuenta que la transmisión de video en vivo se retrasa unos 30 segundos con respecto a la reunión real. No hay retraso en la línea de acceso telefónico para comentarios públicos.***

**Written Public Comment Instruction:**

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Please include the Item # in your comment.

Email: BoardClerk@metro.net

Post Office Mail:

Board Administration

One Gateway Plaza

MS: 99-3-1

Los Angeles, CA 90012

**CALL TO ORDER****ROLL CALL**

APPROVE Consent Calendar Item: 30, 31, and 37.

Consent Calendar items are approved by one vote unless held by a Director for discussion and/or separate action.

**CONSENT CALENDAR****30. SUBJECT: CONSTRUCTION SUPPORT SERVICES FOR  
SOUNDWALL CONSTRUCTION**[2021-0279](#)**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE a cost-plus fixed fee Contract No. PS68345MC079 with Prescience Corporation to provide Construction Support Services for I-210 Soundwall Package 10 and I-710 Soundwall Packages 2 and 3, in an amount Not-to-Exceed \$6,614,868 for a period of performance of 3 years, plus two (2) one-year options (\$826,000 each year) that may be exercised in the future subject to resolution of properly submitted protest(s); and
- B. NEGOTIATE and execute individual Contract Work Orders and Contract Modifications up to the authorized Not-to-Exceed amount.

**Attachments:**      [REVISED Attachment A - Procurement Summary](#)  
                                 [Attachment B - DEOD Summary](#)

**31. SUBJECT: METRO PILOT CRENSHAW/LAX TRANSIT PROJECT  
BUSINESS SOLUTION CENTER**[2021-0325](#)**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 4 to Contract No. PS2890900 with Del Richardson & Associates, Inc. (DRA) for the continuation of professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC) for twelve months, inclusive of two, 3-month option periods, in an amount not to exceed \$219,070 (\$110,723 for the base six (6) months; \$56,835 for Option Period 1, and \$51,512 for Option Period 2), increasing the total contract value from \$1,531,125 to \$1,750,195; and

- B. INCREASE the Contract Modification Authority (CMA) specific to Contract No. PS2890900 in the amount of \$100,000 increasing the total CMA amount from \$100,000 to \$ 200,000 for additional support services related to BSC implementation.

Attachments:      [Attachment A - Procurement Summary](#)  
                              [Attachment B - Contract Modification Change Order Log](#)  
                              [Attachment C - DEOD Summary](#)

**37. SUBJECT: SUPPLEMENTAL ENGINEERING SERVICES (SES)  
CONSULTANT SERVICE CONTRACT**

[2021-0288](#)

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. EXERCISE a one-year option for Contract No. AE36687 with Mott MacDonald Group for Supplemental Engineering Services for the Engineering Design of Rail and Highway Transportation Projects, extending the period of performance from June 22, 2021 through June 22, 2022;
- B. INCREASE the total authorized contract value for Contract No. AE36687 with Mott MacDonald Group for Supplemental Engineering Services for Engineering Design for Rail and Highway Transportation Projects in an amount not-to-exceed \$5,000,000 increasing the total contract value from \$17,500,000 to \$22,500,000. Work will only be authorized by specific task orders, funded by specific project budgets; and
- C. NEGOTIATE and EXECUTE Task Orders and modifications within the Board approved funding amount.

Attachments:      [Attachment A - Procurement Summary AE36687](#)  
                              [Attachment B - Contract Task Orders and Modifications Log AE36687](#)  
                              [Attachment C - DEOD Summary](#)

**NON-CONSENT**

**32. SUBJECT: PROGRAM MANAGEMENT MAJOR PROJECT STATUS  
REPORT**

[2021-0346](#)

**RECOMMENDATION**

RECEIVE oral report on the Major Project Status by the Chief Program Management Officer.

Attachments:      [Presentation - June 2021 REV](#)

- 33. SUBJECT: NEW ENHANCEMENTS TO METRO'S MEDIUM-SIZE BUSINESS ENTERPRISE PROGRAM AND SMALL BUSINESS ENTERPRISE PROGRAM**

[2021-0355](#)

**RECOMMENDATION**

APPROVE:

- A. New Medium Size Business Program Enhancements;
- B. Increase of Small Business Prime limits for competitively negotiated procurements;
- C. Community Level Contracting Program Concept; and
- D. Pursuit of Letters of Agreement with the County of Los Angeles, Los Angeles Community College District, the City of Los Angeles, Los Angeles Unified School District, Metrolink, and Los Angeles World Airports for them to officially accept Metro's SBE Certification and pursue reciprocity agreements with BART and VTA since they have similar requirements for certification.

**Attachments:**      [Attachment A - New MSZ & SBE Enhancement Implementation Timeline](#)  
                                 [Attachment B - Motion 51](#)

- 34. SUBJECT: FEDERAL TRANSIT ADMINISTRATION OVERALL DISADVANTAGED BUSINESS ENTERPRISE GOAL**

[2021-0356](#)

**RECOMMENDATION**

APPROVE 28% Disadvantaged Business Enterprise (DBE) overall goal for Federal Fiscal Years (FFY) 2022 - 2024 for contracts funded, in whole or in part with Federal Transit Administration (FTA) funds.

**Attachments:**      [Attachment A - Overall DBE Goal Methodology Report FF 2022-2024](#)  
                                 [Attachment B - Overall DBE Goal Presentation](#)

- 35. SUBJECT: ENVIRONMENTAL ENGINEERING SERVICES**

[2020-0768](#)

**RECOMMENDATION**

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer (CEO) to award and execute a five (5) year contract, Contract No. EN66937, with Kleinfelder, Inc. for Environmental Engineering and Consulting services on Task Orders for a total amount not-to-exceed \$48,000,000 inclusive of three base years with an initial amount not-to-exceed \$37,000,000; with two one-year options; and

- B. AUTHORIZING Contract Modification Authority (CMA) in the amount of \$4,800,000 (10% of the not-to-exceed contract amount) and authorizing the CEO to award and execute individual task order changes and/or modifications within the CMA amount.

Attachments:      [Attachment A - Procurement Summary](#)  
                              [Attachment B - Types and Total Value Estimates of Projects – FY21 to FY25](#)  
                              [Attachment C - DEOD Summary](#)

**36. SUBJECT: ENVIRONMENTAL WASTE HANDLING AND  
ENVIRONMENTALLY RELATED CONSTRUCTION  
SERVICES**

[2021-0410](#)

**RECOMMENDATION**

AUTHORIZE:

- A. An increase to the total authorized funding for Contract No. PS20655 with TRC Solutions Inc. for Environmental Waste Handling and Environmentally Related Construction Services in the Not-to-Exceed amount of \$19,759,809, increasing the total authorized funding from \$74,800,000 to \$94,559,809, extending the contract term an additional six months; and
- B. The Chief Executive Officer (CEO) to execute all individual Task Orders and changes within the new Board approved contract funding amount.

Attachments:      Attachment A - Procurement Summary  
                              [Attachment B - DEOD Summary](#)

**38. SUBJECT: I-105 EXPRESSLANES PROJECT**

[2021-0306](#)

**RECOMMENDATION**

CONSIDER:

- A. FINDING that the use of a construction manager/general contractor (CM/GC) project delivery method for the I-105 ExpressLanes Project, pursuant to Public Utilities Code Sections 130242, to achieve certain private sector efficiencies by an integrated project delivery team is appropriate; and
- B. APPROVING a competitive solicitation of a CM/GC contract(s) to qualified proposers, pursuant to Public Utilities Code Section 130242, whose proposals will be evaluated by utilizing appropriate evaluation criteria (including price) set forth in the solicitation documents.

**(REQUIRES 2/3 VOTE OF THE BOARD)**



- C. FINDING that the use of a Design/Build/Operate/Maintain (DBOM) project delivery method for a separate solicitation for the Roadside Toll Collection System (RTCS) for the I-105 ExpressLanes Project, pursuant to Public Utilities Code Section 130242, to achieve certain private sector efficiencies by an integrated project delivery team is appropriate; and
- D. APPROVING a separate competitive solicitation of a DBOM contract(s) to qualified proposers, pursuant to Public Utilities Code Section 130242, whose proposals will be evaluated by utilizing appropriate evaluation criteria (including price) set forth in the solicitation documents.

**(REQUIRES 2/3 VOTE OF THE BOARD)**

**SUBJECT: GENERAL PUBLIC COMMENT**

[2021-0387](#)

RECEIVE General Public Comment

Consideration of items not on the posted agenda, including: items to be presented and (if requested) referred to staff; items to be placed on the agenda for action at a future meeting of the Committee or Board; and/or items requiring immediate action because of an emergency situation or where the need to take immediate action came to the attention of the Committee subsequent to the posting of the agenda.

COMMENTS FROM THE PUBLIC ON ITEMS OF PUBLIC INTEREST WITHIN COMMITTEE'S  
SUBJECT MATTER JURISDICTION

**Adjournment**



## Board Report

**File #:** 2021-0279, **File Type:** Contract

**Agenda Number:**

**REVISED  
CONSTRUCTION COMMITTEE  
JUNE 17, 2021**

**SUBJECT: CONSTRUCTION SUPPORT SERVICES FOR SOUNDWALL CONSTRUCTION**

**ACTION: APPROVE RECOMMENDATIONS**

### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE a cost-plus fixed fee Contract No. PS68345MC079 with Prescience Corporation to provide Construction Support Services for I-210 Soundwall Package 10 and I-710 Soundwall Packages 2 and 3, in an amount Not-to-Exceed \$6,614,868 for a period of performance of 3 years, plus two (2) one-year options (\$826,000 each year) that may be exercised in the future subject to resolution of properly submitted protest(s); and
- B. NEGOTIATE and execute individual Contract Work Orders and Contract Modifications up to the authorized Not-to-Exceed amount.

### **ISSUE**

A Construction Support Services Consultant (CSSC) is required to assist Metro Program Management staff's direct oversight of I-210 Soundwall Package 10 and I-710 Soundwall Packages 2 and 3 (respectively known as Early Action Improvement Project (EAIP) I-710 South Corridor projects). These projects include new soundwalls and aesthetic treatments to existing soundwalls to match the new walls. Construction support services will be provided from final design through pre-construction activities, construction, contract close out, and administration of the construction contracts, and will help to ensure compliance with contract requirements and government regulations.

### **BACKGROUND**

Soundwalls are noise barriers built between a noise generator and a sensitive receptor, such as a residential community, to reduce the level of noise transmitted from the generator to the receptor. The soundwall projects are located within Caltrans and City right of way and generally consist of construction of a 14 -foot tall masonry block wall supported on CIDH pile foundations or occasionally

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on spread footing foundations, grade beams or barrier rail concrete sections. Additionally, these projects may include retaining walls, drainage systems, concrete deck slab placement and paving, striping, elevated signage poles, utility relocation, traffic control and landscaping. The stated objectives of the projects are to reduce or eliminates outside noise, create a quieter, calm, composed environment inside an enclosed environment.

## **DISCUSSION**

I-210 SOUNDWALL PACKAGE 10 - This project consists of constructing soundwalls along I-210 freeway from west of Marengo Avenue Overcrossing to Wilson Avenue in the City of Pasadena, constructing soundwalls from Baldwin Avenue to Santa Anita Avenue in the City of Arcadia, and constructing soundwalls on SR-134 East of Cahuenga Blvd near Arcola Street. This construction project consists of approximately 8,690 linear feet of sound wall. Soundwall installation attenuate high noise levels in neighborhoods adjacent to the freeway.

I-710 SOUNDWALL PACKAGE 2 - This project consists of constructing new and improving existing soundwalls within Caltrans' right of way in the Cities of Bell Gardens, Commerce, Compton, East Los Angeles, and Long Beach. This project consists of approximately 2,713 linear feet of new soundwalls and 19,367 linear feet of aesthetic treatment of existing soundwalls.

I-710 SOUNDWALL PACKAGE 3 - This project consists of constructing 4,131 linear feet of new soundwalls, 4,750 linear feet of aesthetic treatment of existing soundwalls and 13,376 linear feet of existing soundwalls to be replaced. Soundwall Package 3 is located south of SR-91 in Caltrans' right of way in the City of Long Beach. The existing walls will be aesthetically treated to match the new soundwalls being constructed.

The projects within the scope of this contract are all design-bid-build projects. As such, it is beneficial to have additional reviews of the technical bid documents by a consultant team to minimize risks to Metro during construction. The CSSC consultant will provide review support of the technical bid documents, administration, oversight and inspection services during construction and technical support during the close out phases of the project. The CSSC consultant will provide skilled individuals to assist Metro with the construction management of the project. The consultant team will reside in an integrated project field office with Metro staff.

A Contract Work Order (CWO) will be issued for each project. Each CWO will include negotiated direct labor, indirect cost rates, general and administrative expenses (if applicable), fixed fee, and negotiated hours for the level of effort to match the work. The CWOs will be funded from the existing project budgets. Staff shall ensure that strict project controls are in place prior to approving and issuing each CWO, and will closely monitor the Consultant's budget, incurred costs, and schedules. No funds are obligated until the CWO is approved.

Prescience Corporation, a Prime, exceeded the goal by making a 64.06% SBE goal and 3.95% DVBE commitment, see Attachment B. DEOD will actively monitor the consultant and their subcontracting plan to ensure the awarded party will uphold their commitment to the SBE/DVBE goals during the Contract.

### **DETERMINATION OF SAFETY IMPACT**

Approval of this item will have no impact on safety

### **FINANCIAL IMPACT**

The projects under this scope are funded on a fiscal year basis. I-210 Soundwall Package 10, I-710 Soundwall Package 2 and I-710 Soundwall Package 3 projects are funded under project numbers 460323, 463416 and 463516, respectively, within Cost Center 8510. The I-210 Soundwall Package 10 project has a 2015 board approved LOP. The CSSC contract work scope would be planned and funded on an annual basis within Board approved project budgets until Life of Project Budgets are established for each project.

Since this is a multi-year contract/project, the Project Manager, Cost Center Manager and the Executive Officer, Program Management will be responsible for budgeting costs in future fiscal years.

### **IMPACT TO BUDGET**

The source of funds for this recommendation is Measure R Highway Capital (20%) Funds, which are not eligible for bus or rail operations. No other funds were considered.

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

The Project is consistent with the following Metro Vision 2028 Goals and Objectives:

Goal 1: Providing high-quality mobility options and improve transit efficiency;

Goals 4 and 5: Transforming LA County through regional collaboration with Caltrans and the corridor cities by contributing funds and providing resources to assist Caltrans in completion of these projects

### **ALTERNATIVES CONSIDERED**

The Board could direct Metro staff to perform construction support tasks with current in-house resources. However, this alternative is not recommended, as it would require diversion of staff resources from on-going projects and would require the hiring of multiple full-time personnel that are not immediately available or funded.

### **NEXT STEPS**

After Board approval of the recommended action, staff will complete the process to award and execute Contract No. PS68345MC079.

### **ATTACHMENTS**

Revised Attachment A - Procurement Summary  
Attachment B - DEOD Summary

Prepared \_By

Prepared by:

Sapana Shah, Senior Construction Manager, Program Management (213) 418-3162

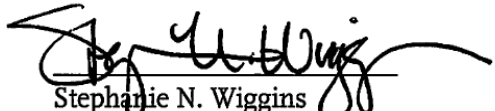
Paul Sullivan, Deputy Executive Officer, Program Management (213) 922-4958

Brad Owen, Executive Officer, Program Management (213) 418-3143

Reviewed by:

Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051

Bryan Pennington, Chief Program Management Officer (Interim), Program Management (213) 922-7447



Stephanie N. Wiggins  
Chief Executive Officer

## DEOD SUMMARY

**CONSTRUCTION SUPPORT SERVICES FOR SOUNDWALL CONSTRUCTION /  
CONTRACT NO. PS68345MC079**

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 27% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. Prescience Corporation, a Small Business Prime, exceeded the goal by making a 64.06% SBE and 3.95% DVBE commitment.

<b>Small Business Goal</b>	<b>27% SBE 3% DVBE</b>	<b>Small Business Commitment</b>	<b>64.06% SBE 3.95% DVBE</b>
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	<b>SBE Subcontractors</b>	<b>% Committed</b>
1.	Prescience Corporation (SBE Prime)	43.89%
2.	SouthStar Engineering & Consulting, Inc.	12.20%
3.	ZT Consulting Group, Inc.	7.97%
	<b>Total SBE Commitment</b>	<b>64.06%</b>

	<b>DVBE Subcontractors</b>	<b>% Committed</b>
1.	Leland Saylor Associates	3.95%
	<b>Total DVBE Commitment</b>	<b>3.95%</b>

**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).

**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.

## PROCUREMENT SUMMARY

### CONSTRUCTION SUPPORT SERVICES CONTRACT NUMBER PS68345MC079

<b>1.</b>	<b>Contract Number: PS68345MC079</b>	
<b>2.</b>	<b>Recommended Vendor: Prescience Corporation</b>	
<b>3.</b>	<b>Type of Procurement (check one):</b> <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	
<b>4.</b>	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> Feb 26, 2020	
	<b>B. Advertised/Publicized:</b> February 26, 2020 (Vendor Portal) / February 28, 2020 (Periodicals of General Circulation)	
	<b>C. Pre-Proposal Conference:</b> March 24, 2020 – Conference Cancelled	
	<b>D. Proposals Due:</b> April 16, 2020	
	<b>E. Pre-Qualification Completed:</b> June 25, 2020	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> April 21, 2020	
	<b>G. Protest Period End Date:</b> June 22, 2021	
<b>5.</b>	<b>Solicitations Picked up/Downloaded:</b> 92	<b>Proposals Received:</b> 3
<b>6.</b>	<b>Contract Administrator:</b> Vanessa Vingno	<b>Telephone Number:</b> 213-922-7574
<b>7.</b>	<b>Project Manager:</b> Sapana Shah	<b>Telephone Number:</b> 818-435-7759

#### **A. Procurement Background**

This Board Action is to approve Contract No. PS68345MC079, Construction Support Services Contract, for multiple Highway improvement projects that involves new construction and improvement of Soundwalls at various locations along the I-210 and I-710 freeway. The Work will be authorized by individual Contract Work Order by individual projects. Award of the Contract is subject to the resolution of any timely protest.

The RFP was issued in accordance with Metro's Acquisition Policies and Procedures. The contract type is a Cost Plus Fixed Fee (CPFF) for a term of three (3) years plus 2 one year options. A pre-proposal conference was scheduled on March 24, 2020 and was cancelled in accordance with the California Governor Executive Order N-33-20 related to COVID-19. Ninety two (92) individuals from various firms picked up or downloaded the RFP Package.

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

- Amendment No. 1, issued on March 3, 2020, to revise the percentage in the Evaluation Criteria, add additional Scope of Service, and delete an outdated Reporting and Invoicing instruction.
- Amendment No. 2, issued on March 10, 2020, to revise SP-19 Right to Review Clause. Adding the paragraph from the Scope of Services to the correct section.

- Amendment No. 3, issued on March 16, 2020, to cancel the Pre-proposal Conference due to Covid-19.
- Amendment No. 4, issued March 19, 2020, to revise Letter of Invitation and Submittal Requirements, allowing electronic submission and removing the notary requirement.
- Amendment No. 5, issued April 7, 2020, to revise Letter of Invitation adding detailed proposal by email instructions.

A total of three (3) proposals were received on April 16, 2020, from the following firms, in alphabetical order:

1. ABA Global, Inc.
2. Biggs Cardosa and Associates
3. Prescience Corporation

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from Metro Program Management was convened and conducted a comprehensive evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and the associated weightings:

- Experience and Capabilities of Firms on the Team..... (20%)
  - Experience and Capabilities of Individuals in The Team ..... (20%)
  - Effectiveness of Management Plan..... (20%)
  - Project Understanding and Approach..... (25%)
  - Cost Proposal ..... (15%)
- |       |      |
|-------|------|
| Total | 100% |
|-------|------|

The evaluation criteria are appropriate and consistent with criteria developed for other professional services procurements. Several factors were considered when developing the weightings, giving the greatest importance to the Project Understanding and Approach.

During the months of April and May 2020, the PET evaluated the three (3) written proposals. Of the three (3) proposals received, two (2) were determined to be within the competitive range. The two (2) firms within the competitive range are listed below in alphabetical order:



1. Biggs Cardosa and Associates
2. Prescience Corporation

The Proposals from ABA Global, Inc was outside the competitive range and excluded from further consideration because (1) its initial overall score was marginal (63.72); (2) ABA Global did not meet the mandatory SBE/DVBE goals and was deemed non-responsive. ABA Global, Inc. intended to propose as an SEB Prime, however they were not SBE certified.

On May 13, 2020, Metro held a virtual Oral Presentations with two (2) proposing firms. In the interest of time, oral presentations were held before the determination of whether or not the proposers were responsive to the SBE/DVBE goals.

This procurement was subject to Metro's Medium-Sized Business Enterprise (MSZ) Program and was solicited as such. ABA Global, Inc. and Biggs Cardosa Associates identified themselves as MSZ firms. Only Biggs Cardosa was responsive to the mandatory SBE/DVBE goal. Prescience is the certified SBE firm. According to Letter of Invitation (LOI), LACMTA will consider bids/proposals from other size firms that non-MSZ only in the event LACMTA does not receive more than one responsive and responsible MSZ bid/proposal.

### **Qualifications Summary of the responsive firm within the Competitive Range:**

#### **Prescience Corporation**

- The Proposal demonstrate an excellent level of experienced personnel that significantly exceeds the RFP requirements. Key personnel demonstrate experience on highway and freeway projects, has sufficient commitment and availability for the project.
- The Proposal demonstrate an excellent schedule and cost control implementation methods on carrying out their management plan.
- The Prime consultant and Subconsultants have a wide range of construction management experience on Caltrans projects. Each firm demonstrates a thorough understanding and knowledge of the complexity of similar projects.
- The Proposal demonstrate a complete understanding of the scope of services in accordance with the requirements of RFP. The project team shows a comprehensive understanding of the project goals, resources, schedules, project challenges and issues.

The Proposal Evaluation Team (PET) ranked (2) proposals within the competitive range. The evaluation was based on the evaluation criteria in the RFP, and assessed major strengths, weaknesses, and associated risks of each of the

proposers to determine the most advantageous firm. The final scoring was based on evaluation of the written proposal, as supported by an oral presentation, and clarifications received from the Proposer. The result of the final scoring is shown below:

1	Firm	Average Score	Factor Weight	Weighted Average Score*	Rank
2	<b>Prescience Corporation</b>				
3	Experience and Capabilities of Firms on the Team	95.11	20%	19.02	
4	Experience and Capabilities of Individuals on the Team	94.33	20%	18.87	
5	Effectiveness of Management Plan	97.11	20%	19.42	
6	Project Understanding and Approach	90.53	25%	22.63	
7	Cost Proposal**	100.00	15%	15.00	
8	<b>Total</b>		<b>100.00%</b>	<b>94.94</b>	<b>1</b>
9	<b>Biggs Cardosa and Associates</b>				
10	Experience and Capabilities of Firms on the Team	92.33	20%	18.47	
11	Experience and Capabilities of Individuals on the Team	95.44	20%	19.09	
12	Effectiveness of Management Plan	93.44	20%	18.69	
13	Project Understanding and Approach	93.07	25%	23.27	
14	Cost Proposal**	79.47	15%	11.92	
15	<b>Total</b>		<b>100.00%</b>	<b>91.43</b>	<b>2</b>

\* Weighted scores are rounded to the nearest second decimal point.

\*\*Cost proposals were based on the Proposers' rates for the provided level of effort of 64,690 hours in the Staffing Plan. Scores shown above for the cost proposals are based on formula in the RFP highest score going to the lowest cost proposal.

### **C. Cost/Price Analysis**

Metro staff performed a cost analysis of the responsive proposals, establish a negotiation plan, and commence with negotiations. The final negotiated amounts complied with all requirements of Metro Procurement Policies and Procedures, including fact-finding, clarifications, and cost analysis. To prevent delay in contract

award, provisional indirect cost rates will be established subject to retroactive adjustments upon completion of any necessary audits. The negotiated costs were determined to be fair and reasonable.

<b>Proposer: Prescience Corporation</b>			
<b>Contract Duration</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>NTE Funding Amount</b>
Base Period – 3 Years	\$6,614,868 <sup>(1)</sup>	\$14,385,260 <sup>(2)</sup>	\$6,614,868
Option Year 1	\$2,114,742 <sup>(1)</sup>		
Option Year 2	\$842,481 <sup>(1)</sup>		

- (1) The proposal amount is based on the Metro established staffing plan. The Consultant's overall cost for labor, overhead, fees, and other elements were lower for the three years.
- (2) The amount \$14,385,260 is the Independent Cost Estimate (ICE) for 3-year base Period of the Contract. After the RFP was issued, Project Management determined that the Level of Effort will be reduced by approximately 25% because Metro will be utilizing Metro employees.

#### **D. Background on Recommended Contractor**

Prescience Corporation, is located at Aliso Viejo, CA, and was established 2013. A certified Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE), Prescience has coordinated and managed the construction of more than \$40 million in public works and capital improvement projects over the past five years. Prescience's key personnel have over two decades in experience in construction support services and highway projects. A number of these projects being similar in scope to the soundwall includes: I-580 Corridor Widening, Edinger Bridge Replacement, SR-210: Segments 9, 10 and 11 (New 6-Lane Freeway Construction), I-10 EB Truck Lane and I-10 WB Median Lane Widening.



Metro

Los Angeles County  
Metropolitan Transportation  
Authority  
One Gateway Plaza  
3rd Floor Board Room  
Los Angeles, CA

## Board Report

File #: 2021-0325, File Type: Contract

Agenda Number: 31.

**REVISED**  
**CONSTRUCTION COMMITTEE**  
**JUNE 17, 2021**

**SUBJECT: METRO PILOT CRENSHAW/LAX TRANSIT PROJECT BUSINESS SOLUTION CENTER**

**ACTION: APPROVE RECOMMENDATIONS**

### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 4 to Contract No. PS2890900 with Del Richardson & Associates, Inc. (DRA) for the continuation of professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC) for twelve months, inclusive of two, 3-month option periods, in an amount not to exceed \$219,070 (\$110,723 for the base six (6) months; \$56,835 for Option Period 1, and \$51,512 for Option Period 2), increasing the total contract value from \$1,531,125 to \$1,750,195; and
- B. INCREASE the Contract Modification Authority (CMA) specific to Contract No. PS2890900 in the amount of \$100,000 increasing the total CMA amount from \$100,000 to \$ 200,000 for additional support services related to BSC implementation.

### **ISSUE**

On July 24, 2014, Metro's Board of Directors issued Motion 79 that authorized the CEO to establish a Metro Pilot Business Solution Center (BSC) to provide hands-on case management services and business assistance to small businesses along the Crenshaw Corridor. Metro has continued to provide direct, immediate, hands-on technical assistance to small and micro businesses along the Crenshaw/LAX corridor through the contracted professional services of Del Richardson & Associates, Inc.

The authorization of Modification No. 4 to Contract No. PS2890900 supports the ongoing implementation of the BSC as approved by Metro's Board of Directors, ensuring that small businesses are supported through construction of the Crenshaw/LAX Transit Project.

## **DISCUSSION**

The Pilot BSC program has been operational for over six years since the Board of Directors authorized the establishment of the program. As a result of Metro staff and the contracted program administrator's efforts, more than 400 businesses within the Crenshaw and Inglewood communities have been contacted and more than 300 small businesses have been served by the BSC. Recognizing that Metro's BSC provides critical support through immediate, hands-on business development, technical assistance and referrals to partnering business resource providers to small businesses along the corridor during the term of construction of the Crenshaw/LAX Transit Project, ongoing operations are necessary.

Following is a summary of the BSC support services outcomes as of Q1 2021:

Total number of businesses contacted:	479
Number of businesses completing intake/ assessment:	363
Number of referrals to resource providers and/or services:	1145

Metro and the BSC program administrator will continue to collaborate and identify focused support services and program activities for small businesses engaged in the BSC; and Metro staff will continue to provide proactive oversight and assessment of the pilot program and the Contractor during the final term of the center's operations.

## **DETERMINATION OF SAFETY IMPACT**

Approval of this recommendation will not impact the safety of Metro's patrons or employees.

## **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**

The implementation of the Crenshaw/LAX Pilot Business Solution Center aligns to strategic goal 3 - enhance communities and lives through mobility and access to opportunity.

### **ALTERNATIVES CONSIDERED**

1. Not executing Modification No. 4 to Contract No. PS2890900. Staff is not recommending this alternative because it will affect Metro's ability to continue to provide the identified services to small and micro businesses along the Crenshaw Corridor during the remaining term of construction of the Crenshaw/LAX Transit Line.
2. Utilizing Metro staff to operate the Pilot BSC. This alternative is not recommended, because Metro does not have the required staffing availability or dedicated resources to operate the Pilot BSC.

### **NEXT STEPS**

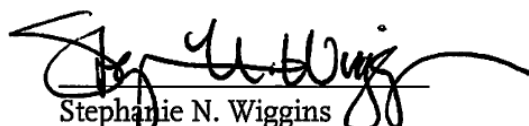
Upon Board approval, staff will execute Modification No. 4 to Contract No. PS2890900 with Del Richardson and Associates, Inc. to continue supporting the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project BSC.

### **ATTACHMENTS**

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

Prepared by: Kyle Wagner, Manager (Interim), DEOD, (213) 418-3333  
Michael Flores, Director (Interim), DEOD, (213) 922-6387  
Miguel Cabral, Executive Officer, DEOD, (213) 418-3270

Reviewed by: Debra Avila, Chief Vendor/Contract Management (213) 418-3051

  
Stephanie N. Wiggins  
Chief Executive Officer

## PROCUREMENT SUMMARY

**METRO PILOT CRENSHAW/LAX TRANSIT PROJECT  
BUSINESS SOLUTION CENTER/ PS2890900**

1.	<b>Contract Number:</b> PS2890900			
2.	<b>Contractor:</b> Del Richardson & Associates, Inc.			
3.	<b>Mod. Work Description:</b> Professional services to continue support for the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC)			
4.	<b>Contract Work Description:</b> Professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project BSC			
5.	<b>The following data is current as of:</b> 5/3/21			
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>	
	<b>Contract Awarded:</b>	10/27/2016	<b>Contract Award Amount:</b>	\$849,008
	<b>Notice to Proceed (NTP):</b>	11/03/2016	<b>Total of Modifications Approved:</b>	\$682,117
	<b>Original Complete Date:</b>	11/02/2018	<b>Pending Modifications (including this action):</b>	\$219,070
	<b>Current Est. Complete Date:</b>	07/03/2022	<b>Current Contract Value (with this action):</b>	\$1,750,195
7.	<b>Contract Administrator:</b> Lily Lopez		<b>Telephone Number:</b> (213) 922-4639	
8.	<b>Project Manager:</b> Kyle Wagner		<b>Telephone Number:</b> (213) 418-3336	

**A. Procurement Background**

This Board Action is to approve Contract Modification No. 4 issued for the continuation of professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC) for up to an additional twelve (12) months with focus on supporting businesses for transition and/or referral to existing service providers for ongoing business assistance and development.

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

On October 27, 2016, the Board awarded a two-year, firm fixed price Contract No. PS2890900 to Del Richardson & Associates, Inc. to operate the Metro Pilot Crenshaw/LAX Transit Project BSC.

Three modifications have been issued to date.

Refer to Attachment B – Contract Modification/Change Order Log for modifications issued to date.

**B. Price Analysis**

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate (ICE), technical analysis, a price analysis, fact finding, and negotiations.

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
\$557,597	\$99,290	<b>\$219,070</b>

The ICE was based on an estimate from the current level of effort and projected levels to be performed during the remaining term of the Pilot BSC. However, the ICE underestimated the anticipated level of effort required, increased market rates and did not account for the two, three-month option periods.



## CONTRACT MODIFICATION/CHANGE ORDER LOG

METRO PILOT CRENSHAW/LAX TRANSIT PROJECT  
BUSINESS SOLUTION CENTER/ PS2890900

<b>Mod. No.</b>	<b>Description</b>	<b>Status</b>	<b>Date</b>	<b>\$ Amount</b>
1	Continuation of services and extension of period of performance (POP) through May 6, 2019.	Approved	10/31/2018	\$100,000
2	Addition of DVBE subcontractor and extension of POP through July 2, 2019.	Approved	04/18/2019	\$0
3	Ongoing implementation of the BSC and extension of POP through July 3, 2021.	Approved	06/27/2019	\$582,117
4	<b>Ongoing implementation of the BSC and extension of POP through July 3, 2022 (12-month inclusive of 2 three-month options).</b>	<b>Pending</b>	<b>Pending</b>	<b>\$219,070</b>
	<b>Modification Total:</b>			<b>\$901,187</b>
	<b>Original Contract:</b>		11/03/2016	<b>\$849,008</b>
	<b>Total:</b>			<b>\$1,750,195</b>

## DEOD SUMMARY

METRO PILOT CRENSHAW/LAX TRANSIT PROJECT BUSINESS SOLUTION  
CENTER/PS2890900**A. Small Business Participation**

Del Richardson & Associates, Inc., a Small Business Prime, made a 62.37% Small Business Enterprise (SBE) and a 3.09% Disabled Veteran Business Enterprise (DVBE) commitment for this contract. Based on payments reported, the contract is 71.70% complete and the current SBE participation is 63.61% and the current DVBE participation is 4.04%. Del Richardson & Associates, Inc. is exceeding both the SBE commitment and the DVBE commitment by 1.24% and 0.95%, respectively.

Del Richardson & Associates, Inc. also reported that subcontractor engagement was halted due to the COVID-19 pandemic, but work was scheduled to resume in June 2021. As such, the Prime stated that it will continue to either meet or exceed its commitments by the end of contract term.

<b>Small Business Commitment</b>	<b>SBE 62.37% DVBE 3.09%</b>	<b>Small Business Participation</b>	<b>SBE 63.61% DVBE 4.04%</b>
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	<b>SBE Subcontractor</b>	<b>Committed %</b>	<b>Current Participation<sup>1</sup></b>
1.	Del Richardson & Associates (SBE Prime)	62.37%	63.61%
	<b>Total SBE Participation</b>	<b>62.37%</b>	<b>63.61%</b>

	<b>DVBE Subcontractors</b>	<b>Committed %</b>	<b>Current Participation<sup>1</sup></b>
1.	Intelligent Technology Integration Solutions, LLC (It Is, LLC)	3.09%	2.72%
2.	Servexo	Added	1.32%
	<b>Total DVBE Participation</b>	<b>3.09%</b>	<b>4.04%</b>

<sup>1</sup>Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

**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.



## Board Report

**File #:** 2021-0288, **File Type:** Contract

**Agenda Number:** 37.

### CONSTRUCTION COMMITTEE JUNE 17, 2021

**SUBJECT: SUPPLEMENTAL ENGINEERING SERVICES (SES) CONSULTANT SERVICE CONTRACT**

**ACTION: CONTRACT MODIFICATION TO EXERCISE OPTION**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. EXERCISE a one-year option for Contract No. AE36687 with Mott MacDonald Group for Supplemental Engineering Services for the Engineering Design of Rail and Highway Transportation Projects, extending the period of performance from June 22, 2021 through June 22, 2022;
- B. INCREASE the total authorized contract value for Contract No. AE36687 with Mott MacDonald Group for Supplemental Engineering Services for Engineering Design for Rail and Highway Transportation Projects in an amount not-to-exceed \$5,000,000 increasing the total contract value from \$17,500,000 to \$22,500,000. Work will only be authorized by specific task orders, funded by specific project budgets; and
- C. NEGOTIATE and EXECUTE Task Orders and modifications within the Board approved funding amount.

#### **ISSUE**

On June 15, 2017, the Board approved a three-year cost-plus fixed fee contract for Supplemental Engineering Services with Mott MacDonald Group for Engineering and Design of Rail and Highway Transportation Projects plus two one-year options at \$5,000,000. On May 28, 2020, the Board approved an option of one year and \$2,500,000 increase in the authorized contract value. The current board action is for approval to exercise a one-year option and an additional \$5,000,000 in authorized contract value for the Contract to a total not-to-exceed amount of \$22,500,000. The approval of the exercise of this option will provide for a contract extension of time and increase the authorized funding limit to complete the Engineering and Design services that are currently underway.

#### **BACKGROUND**

The Mott MacDonald Group has been providing engineering and design support services on several projects through various task orders. One of these task orders includes preliminary engineering services for the Metro G Line (formerly Orange Line) BRT Improvements consisting of Grade Separation at Sepulveda and Van Nuys Stations and the G Line Gating for 41 at-grade crossings. The preliminary engineering design of the Metro G Line BRT Improvements is not yet complete and will require additional time and budget. The current requested board action will provide the additional time and increase in the authorized contract value to complete this project.

## **DISCUSSION**

Metro Engineering has developed this SES Contract to supplement Metro's engineering efforts. The SES consultant team has the capability of supporting its engineering group's technical disciplines.

Examples of Task Orders issued under this contract to date are:

- Preliminary engineering services for Metro G Line BRT Improvements
- Metro A Line Special Trackwork Design
- Metro A Line Fare Gates Addition Project
- Metro L Line Track 2 Near Harbor Freeway Station Survey
- Expo/Crenshaw West Side Portal Conceptual Design
- Metro E Line MSE Walls 726 and 727 Survey Monitoring Program
- Metro G Line Colfax Recycled Water Project
- Conceptual Design/Planning in Support of the Metrolink SB/L Line Task Force
- Metro G Line ROW and Easement Survey for Immediate Remedial Measures

The technical proficiencies required for this SES contract (PS8510-3002) are very comprehensive and include all engineering and specialties disciplines which Metro may require in support of its projects. These include the following:

General Services include:

1. Preliminary and Final Design of Transportation including Rail and Highway Projects.
2. Design Review Support & Coordination for CIP projects & other special projects.
3. Production of Project Status, Technical and Engineering Reports.
4. Design of Structures, Stations and Guideways.
5. Facilities/Systems Interface Coordination.
6. Surveying Services.
7. Cost Estimating.
8. Intra/Inter Disciplinary Coordination.

9. Scheduling and Cost Management for Task Orders.
10. Post Design Services including Bid and Design Support during Construction.
11. Administrative Tasks associated with General Engineering Support Services.

Specific Rail Facilities and Third-Party Utility Design Services include:

12. Engineering Services for Review and Approval of Metro Projects.
13. Development of Technical Specifications, Drawings and Reference Documents.
14. Engineering Services for support of Metro Rail Operations and Maintenance.
15. Land Surveying and Legal Description.
16. Potholing.
17. Geotechnical Services, Borings and Reports.
18. Civil & Utility Engineering
19. Civil & Utility Engineering. Drainage Design and Hydraulic Calculations.
20. Structural Engineering.
21. Bridges and Aerial Structure Design.
22. Tunnels, Trenches and Underground Station Design.
23. Track Work Engineering, Plan and Profile.
24. CPUC Grade Crossing Application including attendance to field diagnostic meetings.
25. Yard and Shop Rail Maintenance Facility Design.
26. Architectural Design.
27. Station Site Development.
28. Urban Design Integration.
29. Landscape Architecture.
30. Traffic Control Plans including Striping Drawings and Signal Drawings.
31. CADD and MicroStation Drawings.
32. BIM Services and Training.
33. Project Presentation including Three-Dimensional Rendering.
34. Corrosion Control Measures and Cathodic Protection.
35. Value Engineering and Cost Reduction
36. Noise and Vibration Analysis including Site Visits, Measurement and Mitigation.
37. Any other engineering or technical discipline not listed above that is ancillary to the Statement of Work and consistent with the general requirements of an approved Task Order.
38. HVAC design including HVAC and emergency ventilation.
39. Electrical Design.
40. Plumbing Design.
41. Fire Protection Design

**DETERMINATION OF SAFETY IMPACT**

This Board Action will not have an impact on established safety standards for Metro's Construction Projects.

**FINANCIAL IMPACT**

The funding for these services is included in the approved FY21 and FY 22 budget in various Capital Projects. Task Orders will be issued and funded from the associated future fiscal year and Life-of-Project (LOP) budgets. The funding source differs depending on the individual project. These activities will remain within the approved LOP for each project. The specialized design for the Metro G Line Grade Separation requires additional Task Order Modifications which would exceed the current Not to Exceed Amount.

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

### **IMPACT TO BUDGET**

The funding for the task orders are provided by the specific project requiring the services. The source for these funds is in line with the respective projects' funding plans and fund sources may consist of federal and/or state grants as well as local funds. Many of the state of good repair projects are funded with local funding sources that are eligible for rail and bus operations.

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

This will promote Metro's strategic goal of expanding the transportation network and increasing mobility for all users.

### **ALTERNATIVES CONSIDERED**

The Board may elect to not exercise these positions with Mott MacDonald for the Supplemental Engineering Services. Staff does not recommend this alternative as the design they are assigned are in various degrees of design development, construction or and the cost and schedule for each of these projects would be significantly impacted. Specifically, Mott Macdonald is performing preliminary engineering services for the Metro G Line BRT which requires extensive amount of coordination between Sepulveda Transit Corridor and East San Fernando Valley Transit Corridor (ESVFTC) projects as both projects have a station at the Metro G Line. The interface between ESVFTC terminus station with the proposed aerial station for Metro G Line improvements at Van Nuys is particularly important and requires extensive coordination between the two design teams to create a seamless circulation and transfer for the patrons using the station. Mott MacDonald has been performing this task, but the preliminary engineering design of the Metro G Line BRT Improvements is not yet complete and will require additional time and budget. Not exercising these options will adversely affect these three important projects. In addition, the cost of procuring another consultant in a timely manner would create potential delay to existing contracts where they are currently supporting Metro Engineering staff to design these projects.

Another alternative would be to hire Metro staff to perform the required services. This alternative is also not recommended as it would be difficult to obtain qualified staff in a timely manner, and the services are only required on a periodic basis for peak workloads or specific tasks over the life of the project.

### **NEXT STEPS**

Upon Board approval, staff will issue a Contract Modification to exercise the second one-year option, and issue Contract Task Orders, as needed.

### **ATTACHMENTS**

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

Prepared by:

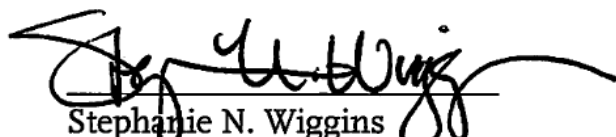
Androush Danielians, Senior Executive Officer, Engineering (213) 922-7598

Reviewed by:

Debra Avila, Chief Vendor/Contract Management Officer (213) 418-3051

Bryan Pennington, Interim Chief Program Management Officer (213) 922-7557





Stephanie N. Wiggins  
Chief Executive Officer

## PROCUREMENT SUMMARY

## SUPPLEMENTAL ENGINEERING SERVICES (SES)

1.	<b>Contract Number:</b> AE36687			
2.	<b>Contractor:</b> Mott MacDonald Group			
3.	<b>Mod. Work Description:</b> Additional Funding for additional Contract Task Orders for G Line BRT Improvements			
	<b>Contract Work Description:</b> Supplemental Engineering Services(SES)			
5.	<b>The following data is current as of:</b> May 10, 2021			
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>	
	<b>Contract Awarded:</b>	June 22, 2017	<b>Original/Current authorized funding limit:</b>	\$ 17,500,000.00
	<b>Contract Executed Date:</b>	July 17, 2017	<b>Total of Contract Work Orders and Modifications Approved:</b>	\$ 14,912,355.70
	<b>Original Completion Date:</b>	June 22, 2020	<b>Pending and Proposed Contract Work Orders and Modifications (including this action):</b>	\$ 7,587,644.30
	<b>Current Est. Completion Date:</b>	June 22, 2022	<b>Total authorized funding limit (with this action):</b>	\$ 22,500,000.00
7.	<b>Contract Administrator:</b> Robert Romanowski		<b>Telephone Number:</b> (213) 922-2633	
8.	<b>Project Manager:</b> Androush Danielians		<b>Telephone Number:</b> (213) 922-7598	

**A. Procurement Background**

On June 22, 2017, the Board approved award of Contract No. AE36687 with Mott MacDonald Group for three years with funding approval through FY2020 in the amount of \$15,000,000, for the Scope of Work included in the Supplemental Engineering Services (SES) Contract. This is a cost reimbursable plus fixed fee contract and services are authorized by individual Task Orders.

On May 28, 2020, the Board approved the exercise of a one-year option including an increase of \$2,500,000 in authorized funding for a total authorized funding limit not-to-exceed \$17,500,000.00.

Attachment B shows that twenty-three Contract Task Orders and their Modifications have been issued to date, totaling \$14,912,355.70.

This Board Action is to approve the exercise of a final one-year option and to increase the total authorized funding for Contract No. AE36687 in support of additional Supplemental Engineering Services (SES) needs.

**B. Cost/Price Analysis**

All direct labor rates, as modified by an annual economic price adjustment, indirect costs rates, as modified by an audit of the actual rate for each year, and the negotiated fixed fee factor for this cost reimbursable plus fixed fee contract remain unchanged from the original contract.

A fair and reasonable cost for all future Contract Task Orders will be determined based upon fact finding, scope definition, technical evaluation, cost analysis, and negotiations before issuing work to the Consultant. Contract Task Orders will be processed in accordance with Procurement Policies and Procedures, within the additional funding requested.

**ATTACHMENT B**

**CONTRACT TASK ORDER / MODIFICATION LOG  
CONTRACT NO. AE36687**

<b>Mod/Task Order (TO) No.</b>	<b>Description</b>	<b>Status</b>	<b>Contract Funding Limit (A)</b>	<b>Mod / TO Value (B)</b>	<b>Board Approved CMA (C)</b>
	Original Award	Approved	\$15,000,000.00		N/A
AE36687-MOD-00001	Administrative Mod to delete unneeded SP's	Approved		\$ 0.00	
AE36687-MOD-00002.1	Add Article VIII Pricing of Task Orders to Contract	Approved		\$ 0.00	
AE36687-MOD-00003	Economic Price Adjustment for Contract Year 2 for Direct Labor Rate Ranges	Approved		\$ 0.00	
AE36687-MOD-00004	Modify Contract Funding Limit NTE and Exercise Option to Extend Period of Performance for One Year as approved by the Board 05/28/2020	Approved	\$ 2,500,000.00		
<b>Approved Contract Funding Limit</b>			<b>\$17,500,000.00</b>		
AE36687-TO-001	MOL Improvements Project - Preliminary Engineering Services, as modified by MODS 0001 through 0004	Approved		\$11,203,000.00	
AE36687-TO-001A	MOL BRT Improvements - Engineering Support for Outreach Program	Approved		\$ 112,200.00	
AE36687-TO-002	SES – Geotechnical Engineering Support, as modified by MODS 0001 through 0003.1	Approved		\$ 76,083.20	
AE36687-TO-003	Sepulveda Blvd Survey at Ovada PL	Approved		\$ 18,916.33	
AE36687-TO-004	Cancelled				
AE36687-TO-005	MBL Special Trackwork Design, as modified by MODS 00001 through 00005	Approved		\$ 891,296.43	
AE36687-TO-006	Virginia TPSS Survey Services	Approved		\$ 10,297.88	

AE36687-TO-007	Blue Line Fare Gates Addition Project Site Services	Approved		\$ 14,149.60	
AE36687-TO-008	Cancelled				
AE36687-TO-009	Lankershim Depot Park Topographic Survey Services	Approved		\$ 3,375.20	
AE36687-TO-010	Lankershim Depot Park Landscape Architect - Design Review Services, as modified by MODS 00001 through 00002	Approved		\$ 21,859.79	
AE36687-TO-011	Metro Blue Line Del Amo Station Survey	Approved		\$ 10,533.00	
AE36687-TO-012	Legal Description Review for Vista Canyon/City of Santa Clarita Development Project, as modified by MODS 00001 through 00002	Approved		\$ 14,659.25	
AE36687-TO-013	Metro Green Line Track 2 Near Harbor Freeway Station Survey and its MOD 00001	Approved		\$ 36,250.00	
AE36687-TO-014	Expo/Crenshaw West Side Portal Conceptual Design as modified by MODS 00001 through 00003	Approved		\$ 133,983.00	
AE36687-TO-015	Metro Expo II Line MSE Walls 726 and 727 Survey Monitoring Program	Approved		\$ 55,759.00	
AE36687-TO-016	Metro Expo II Line MSE Walls 726 and 727 - Top of Rails Survey	Approved		\$ 32,914.00	
AE36687-TO-017	Metro Orange Line Colfax Recycled Water Project, and its MODS 00001 and 00002	Approved		\$ 202,589.00	
AE36687-TO-018	Washington Satellite Yard Topographic Survey for the New Blue Project and MODs 00001 through 00003	Approved		\$ 25,422.02	
AE36687-TO-019	Conceptual Design/Planning in Support of the Metrolink SB/Gold Line Task Force and MOD 00001	Approved		\$ 443,999.00	
AE36687-TO-020	Landscape Arch. Support for Metro Expo Line Bike Path Landscape Repairs/Turn over	Approved		\$ 24,739.00	
AE36687-TO-021	Ridership Modeling and Risk Analysis and MOD 00001	Approved		\$ 78,372.00	

AE36687-TO-022	Metro Gold Line ROW and Easement Survey in the Vicinity of N Virginia Ave Grade Crossing Azusa	Approved		\$ 24,018.00	
AE36687-TO-023	MOL Improvements Project - Pilot Gates Project	Approved		\$ 1,477,940.00	
<b>Subtotal Approved Task Orders and Task Order Modifications</b>				<b>\$14,912,355.70</b>	
AE36687-TO-001-MOD-00004	Metro G Line (Orange) BRT Improvements Project – additional Engineering	Pending		\$ 1,500,000.00 (Estimated)	
AE3687-TO-023-MOD-00001	MOL Improvements Project - Pilot Gates Project – Additional ODC and DSDC for Installation Subcontract	Pending		\$ 1,500,000.00 (Estimated)	
TBD	Future Proposed Task Orders per Board Report list of eligible Projects	Proposed		\$ 4,587,644.30	
<b>Subtotal Pending and Proposed Task Orders and Task Order Modifications</b>				<b>\$ 7,587,644.30</b>	
<b>SUMMARY</b>					
<b>Subtotal Approved Task Orders and Task Order Modifications</b>				<b>\$14,912,355.70</b>	
<b>Subtotal Pending and Proposed Task Orders and Task Order Modifications</b>				<b>\$ 7,587,644.30</b>	
<b>TOTAL Approved, Pending, and Proposed Task Orders and Modifications including This Board Action</b>				<b>\$22,500,000.00</b>	
<b>Original Funding Limit</b>					<b>\$15,000,000.00</b>
<b>Exercise of First Option, Approved 05/28/2020 by the Board</b>					<b>\$ 2,500,000.00</b>
<b>Exercise of Second Option, including This Board Action</b>					<b>\$ 5,000,000.00</b>
<b>TOTAL AUTHORIZED FUNDING LIMIT</b>					<b>\$22,500,000.00</b>

## DEOD SUMMARY

**SUPPLEMENTAL ENGINEERING SERVICES (SES) CONSULTANT SERVICE  
CONTRACT/AE36687**

**A. Small Business Participation**

Mott MacDonald Group made a 17% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) commitment for this contract. The overall SBE/DVBE participation for this on-call contract is based on the cumulative of all Task Orders (TOs) issued.

To date, twenty-three (23) task orders and subsequent modifications have been awarded. Based on payments reported, the contract is 86.69% complete, and the cumulative SBE participation is 25.06%, which exceeds the commitment by 8.06%. The cumulative DVBE participation is 1.76%, representing a 1.24% shortfall.

Mott MacDonald Group explained that Metro changed the procurement strategy for the G Line gated crossing improvements from *Design-Bid-Bid* to *Progress Design-Build* for which they had anticipated significantly more design work by DVBE MA Engineering. Also, DVBE Leland Saylor provides cost estimating services and Mott MacDonald Group has not had a significant task order issued where estimating was a part of the scope and has not been able to utilize Leland Saylor as anticipated. Mott MacDonald Group affirmed that it would continue to look for opportunities for MA Engineering and Leland Saylor for the remainder of the contract duration.

Notwithstanding, Metro Project Managers and Contract Administrators will work in conjunction with DEOD to ensure that Mott MacDonald Group remains on schedule to meet or exceed its SBE/DVBE commitments. Metro staff will request that Mott MacDonald submit updates to its mitigation plan if it is not on track to meet its small business commitment. Additionally, key stakeholders associated with the contract have been provided access to Metro's online monitoring system to ensure that all parties are actively tracking Small Business progress.

<b>Small Business Commitment</b>	<b>SBE 17% DVBE 3%</b>	<b>Small Business Participation</b>	<b>SBE 25.06% DVBE 1.76%</b>
----------------------------------	----------------------------	-------------------------------------	----------------------------------

	<b>SBE Subcontractors</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	Anil Verma	TBD	1.62%
2.	Arellano Associates	TBD	TBD
3	BA, Inc.	TBD	9.23%
4.	Earth Mechanics	TBD	0.81%
5.	Engineering Solutions Services	TBD	TBD
6.	Gibson Transportation	TBD	TBD

7.	Lenax	TBD	1.29%
8.	McLean & Schultz	TBD	2.50%
9.	Morgner Construction Management	TBD	TBD
10.	PacRim Engineering	TBD	0.43%
11.	Rail Surveyors Engineers	TBD	3.58%
12.	Terry Hayes and Associates	TBD	TBD
13.	The Alliance Group	TBD	0.94%
14.	The Solis Group	TBD	0.27%
15.	Wagner Engineering	TBD	4.28%
16.	TransLink Consulting	Added	0.12%
	<b>Total</b>	<b>17%</b>	<b>25.06%</b>

	<b>DVBE Subcontractors</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	Leland Saylor	TBD	0.23%
2.	MA Engineering	TBD	1.53%
	<b>Total</b>	<b>3%</b>	<b>1.76%</b>

<sup>1</sup>Current Participation = Total Actual amount Paid-to-Date to SBE/DVBE 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).

#### **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.





Metro

Los Angeles County  
Metropolitan Transportation  
Authority  
One Gateway Plaza  
3rd Floor Board Room  
Los Angeles, CA

## Board Report

**File #:** 2021-0346, **File Type:** Oral Report / Presentation

**Agenda Number:** 32.

### CONSTRUCTION COMMITTEE JUNE 17, 2021

**SUBJECT: PROGRAM MANAGEMENT MAJOR PROJECT STATUS REPORT**

**ACTION: ORAL REPORT**

#### **RECOMMENDATION**

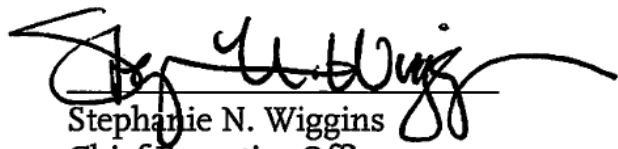
RECEIVE oral report on the Major Project Status by the Chief Program Management Officer.

#### **DISCUSSION**

Update report covering the month of June 2021 by the Chief Program Management Officer.

Prepared by:

- **Crenshaw/LAX** - Sameh Ghaly, Sr EO Project Mgmt., (213) 418-3369
- **Regional Connector** - Sameh Ghaly, Sr EO Project Mgmt., (213) 418-3369
- **Westside Purple Line Ext 1** - James Cohen, EO Project Mgmt., (213) 922-7911
- **Westside Purple Line Ext 2** - Michael McKenna, EO Project Mgmt., (213) 312-3132
- **Westside Purple Line Ext 3** - Kimberly Ong, EO Project Mgmt., (323) 903-4112
- **Willowbrook/Rosa Park Station** - Timothy Lindholm, Sr. EO Project Engr., (213) 922-7297
- **Airport Metro connector (AMC)** - Timothy Lindholm, Sr. EO Project Engr., (213) 922-7297
- **Division 20 Portal Widening Turnback** - Rick Meade, Sr EO Project Mgmt., (562) 524-0517
- **I-210 Barrier Replacement** - Androush Danielians, Sr EO Project Engr., (213) 922-7598
- **I-5 North County Enhancements** - Timothy Lindholm, Sr. EO Project Engr., (213) 922-7297
- **I-5 North** - Abdollah Ansari, Sr EO Construction & Engr., (213) 922-4781
- **I-5 South** - Abdollah Ansari, Sr EO Construction & Engr., (213) 922-4781
- **Presentation** - Yohana Jonathan, Mgr, Project Control, (213) 418-3031



Stephanie N. Wiggins  
Chief Executive Officer



































# **Program Management Major Project Status Report**

Presented By

**Bryan Pennington**

Chief Program Management Officer (Interim)

# PROJECT BUDGET & SCHEDULE STATUS SUMMARY CHART

Project	Cost Performance		Schedule Performance		Comments
	Variance Approved LOP	Variance Revised Budget	Variance Original	Variance Revised Schedule	
Crenshaw/LAX					Project is 98.9% complete. Contractor is not applying sufficient work force to complete their remaining work. Remaining work is primarily underground station finishing, facility equipment and communications system testing. Metro continues to work with contractor to mitigate the delays and impacts to the project schedule; emphasizing safety and reliability in final acceptance of project elements and systems.
Regional Connector					Project is 79% complete. Comprehensive planning for testing underway for 7th/Metro Center interfaces. Site work throughout alignment underway. MEP and systems dominating the pace.
Westside Purple Line Extension-Section 1					Project is 70% complete. TBM tunnel mining is complete. Follow-on construction impacts from delayed TBM tunneling due to the Wilshire/San Vicente anomaly continue to be assessed. The Project's forecast Revenue Service Date has been adjusted to Fall 2024.
Westside Purple Line Extension-Section 2					Project is 42% complete and proceeding on schedule and within budget.
Westside Purple Line Extension-Section 3					Project is 22% complete and proceeding on schedule and within budget.
Willowbrook/Rosa Parks Station					Package A & C Final Punch List work continuing for Package Closeout. North crossing and signal case work scheduled for May/June. Package B is in full progress with underground utility work completed and hardscape installation in progress. Overall project substantial completion scheduled for June.
Airport Metro Connector					Early Works Phase contract awarded with shovel in ground by end of June. Main Station Project is in bid validation phase, with NTP expected in Summer 2021 with construction duration of three years.
Division 20 Portal Widening Turnback					Project is 22% complete. Upcoming major change orders for Design Revisions and Differing Site Conditions when finalized, will draw down project contingency.
I-210 Barrier Replacement					Project 1 Plans, Specs and Estimate (PS&E) package is approved by Caltrans Design. Funding source(s) for ADL & Haz Mat testing and Project 1 construction are still to be determined. Barrier analysis and the development of Project Study Report (PSR) for Project 2 is underway. Barrier workshop #1 with Caltrans barrier and wall experts to take place on May 24, 2021.
1-5 North County Enhancements					Construction NTP is expected late Spring/early Summer 2021
I-5 North: SR 118 to SR 134					Segment 1, 2 and 4 are completed. Segment 3 (Empire Ave & Burbank) is 90% complete. * The Cost includes the Approved Loan Term
I-5 South: Orange County Line to I-605					Segments 1, 3, 4, and the Carmenita Interchange are completed. Segment 2 (Valley View) is 80% complete. Segment 5 (Florence) is 94% complete and started the one-year plant establishment period in April 2021.

June 2021

Construction Committee

Los Angeles County Metropolitan Transportation Authority



On target



Possible problem



Significant Impact



Metro 2

# CRENSHAW/LAX TRANSIT PROJECT

BUDGET				SCHEDULE			
TIFIA	Approved LOP*	Previous Period**	Current Forecast**	Original	Approved Rebaseline	(REVENUE OPERATION) Previous Period	Current Forecast*
\$2,148M	\$2,058M	\$2,148M	\$2,148M	Oct.2019	May 2020	Winter 2021	Winter 2021
Variance from Approved LOP:		\$90M (4%)	\$90M (4%)	Variance from Original:		+766d (26%)	+802d (26%)
Variance from Revised Budget:			\$0	Variance from Revised Schedule:		+545d (22%)	+581d (23%)
*At time of the award of contract: Board Approval June 2013				*Current Forecast is Contractor's March Schedule update			
**Excludes finance costs and includes \$10M Non-TIFIA activities							

- Overall Project Progress is 98.9% complete.
- Contractor is not applying sufficient work force to complete remaining work; prepare/submit test reports on time.
- Remaining work is primarily underground station finishing, facility equipment and communications systems testing.
- Metro continues to work with contractor to mitigate the delays and impacts to the project; emphasizing safety and reliability in final acceptance of project elements and systems.



LEIMERT PARK STATION – Train tunnel with emergency walkway



Downtown Inglewood Station – Ticketing vending machine canopy structure

June 2021



On target



Possible problem  
(5-10% variance)



Significant Impact  
(over 10% variance)





Metro 3

Construction Committee

Los Angeles County Metropolitan Transportation Authority

# REGIONAL CONNECTOR TRANSIT PROJECT

## BUDGET



<u>FFGA</u>	<u>Approved LOP*</u>	<u>Previous Period**</u>	<u>Current Forecast**</u>
\$1,402M	\$1,420M	\$1,755M	\$1,755M
Variance from Approved LOP:		\$335M (24%)	\$335M (24%) 
Variance from Revised Budget:		\$0	

\*At time of the award of contract – Board Approval April 2014

\*\*Excludes finance costs

## SCHEDULE

### (REVENUE OPERATION)

<u>Original</u>	<u>Approved**</u>	<u>Previous Period</u>	<u>Current Forecast*</u>
May 2021	Fall 2022	Fall 2022	Fall 2022
Variance from Original:		+480d (19%)	+480d (19%) 
Variance from Revised Schedule:		0d	

\*Current Forecast is Contractor's March Schedule update

\*\*Approval in process

- **Overall Project Progress is 80% complete.**
- **Little Tokyo/Arts District Station & Surrounding Area:** MSE wall modifications, station MEP and finishes continue.
- **Historic Broadway Station:** Overbuild Load Transfer System (LTS) structural concrete continues; vent structures along Spring and Broadway continue; station finishes and MEP advancing per plan. Relocated communication bank underway; backfill operations continue.
- **Grand Av Arts/Bunker Hill Station:** Concrete near complete – plaza pours underway; elevator and installations continue; closure of Hope Street continues as backfill and joint communication trench construction is on-going; systems and MEP busy on all levels.
- **Flower Street:** Final utility work continues; cut-over plans and actions with 7th/Metro Station established; interface with Operations to mitigate impacts to ongoing rail service progressing.
- **Trackwork:** Progress on crossover at Wye Junction lagging; remedial work along alignment underway on various installations to prepare for acceptance inspections.
- **Systems:** Installation of signals and communications, and equipment and cabling for permanent power continuing – as are train control and overhead conductor rail (OCR).



North Mechanical Room Lower Ancillary Level at Grand Av Arts/Bunker Hill Station



PVC and device boxes in Ped Bridge Pavilion Deck at Hope St

June 2021



On target



Possible problem  
(5-10% variance)



Significant Impact  
(over 10% variance)

Construction Committee



Los Angeles County Metropolitan Transportation Authority





Metro 4



# WESTSIDE PURPLE LINE EXTENSION – SECTION 1

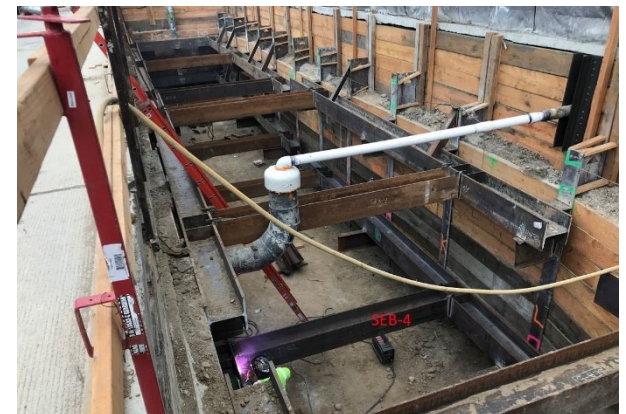
BUDGET FFGA	Approved LOP* **	Previous Period**	Current Forecast**
\$2,822M	\$2,774M	\$3,129M	\$3,129M
Variance from Approved LOP:		\$355M (13%)	\$355M (13%) 
Variance from Revised Budget:		\$0	
*At time of the award of contract – Board Approval July 2014			
**Excludes finance costs			

SCHEDULE	Approved	(REVENUE OPERATION) Previous	Current
Original	Rebaseline	Period	Forecast*
Nov.2023	Nov. 2023	Fall 2024	Fall 2024
Variance from Original:		+365d (11%)	+365d (11%) 
Variance from Revised Schedule:		0d	
*Current Forecast is Contractor's March Schedule update			

- Overall Project Progress is 70% complete.
- Wilshire/La Brea Station:** Permanent utility installation/backfill (above the roof) activities, interior stairs, MEP work and appendage construction are ongoing.
- Wilshire/Fairfax Station:** Structural concrete work moves forward (2<sup>nd</sup> lift wall & roof). Entrance plaza and appendage work continue.
- Wilshire/La Cienega Station:** With TBM tunneling mining completed, TBM equipment and gantry removal is underway. Work on the entrance structure progresses, and excavation on the first appendage (AE) continues.
- Tunneling:** TBM tunnel mining for the Project was completed in May 2021.
- Reach 1 Tunnel:** 11 out of 12 cross passage structures are complete. Completion of all Reach 1 cross passages is planned for June 2021. Reach 1 tunnel invert and walkway concrete activities continue.
- Budget/Schedule:** The implementation and planning of follow-on construction activities to address the impacts associated with the San Vicente anomaly move forward. The current Revenue Service Date forecast is Fall 2024. The FTA/PMOC has issued a draft (abbreviated) Cost, Schedule & Contingency Review report to Metro. The Board has been briefed on the findings.



Reach 1 Tunnel Invert & Walkway Concrete Placement



Wilshire/La Cienega Station Appendage AE

June 2021

Construction Committee

Los Angeles County Metropolitan Transportation Authority



On target



Possible problem  
(5-10% variance)





Significant Impact  
(over 10% variance)



Metro 5

# WESTSIDE PURPLE LINE EXTENSION – SECTION 2



## BUDGET

<u>FFGA</u>	<u>Approved LOP*</u>	<u>Previous Period**</u>	<u>Current Forecast**</u>
\$2,499M	\$2,441M	\$2,441M	\$2,441M
Variance from Approved LOP:		\$0M (0%)	\$0M (0%) 
Variance from Revised Budget:			\$0 

\*At time of the award of contract – Board Approval January 2017

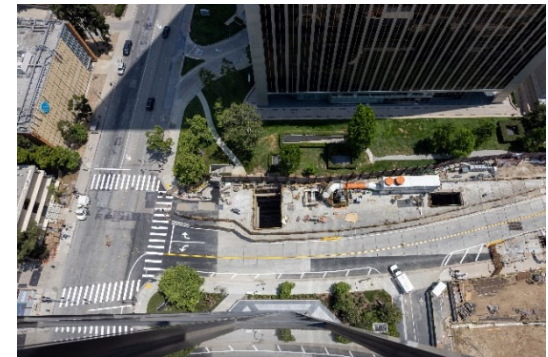
\*\*Excludes finance costs

## SCHEDULE

<u>Original</u>	<u>Approved Rebaseline</u>	(REVENUE OPERATION) <u>Previous Period</u>	<u>Current Forecast*</u>
Aug. 2025	N/A	Summer 2025	Summer 2025
Variance from Original:		+0d (0%)	+0d (0%) 
Variance from Revised Schedule:		0d	0d 

\*Current Forecast is Contractor's April Schedule update

- Overall Project progress is 43% complete.
- **Century City Constellation Station**
  - The closure of Constellation Boulevard between Avenue of the Stars and Century Park East ended on May 15, 2021.
  - Excavation of the station box is 19% complete as of May 20, 2021.
- **Wilshire/Rodeo Station**
  - Excavation of the station box is complete.
  - Work on the invert slab is ongoing.
- **Tunneling**
  - Both tunnel boring machines (TBMs) “Ruth” and “Harriet” are operating within the City of Beverly Hills. Progress as of May 21, 2021, is as follows:
    - Ruth (eastbound subway tunnel) – 1,571ft (14%)
    - Harriet (westbound subway tunnel) – 1,424ft (12%)



Reopening of Constellation Blvd. at Century Park East



First Concrete Placement for Wilshire/Rodeo Station Invert

June 2021



On target



Possible problem  
(5-10% variance)



Significant Impact  
(over 10% variance)

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 6



# WESTSIDE PURPLE LINE EXTENSION – SECTION 3

BUDGET			
FFGA	Approved LOP*	Previous Period**	Current Forecast**
\$3,599M	\$3,224M	\$3,224M	\$3,224M
Variance from Approved LOP:		\$0M (0%)	\$0M (0%) <span>OK</span>
Variance from Revised Budget:		\$0	\$0 <span>OK</span>
*At time of the award of contract – Board Approval February 2019			
**Excludes finance costs			

SCHEDULE		(REVENUE OPERATION)	
Original	Approved Rebaseline	Previous Period	Current Forecast*
Mar. 2027	N/A	Spring 2027	Spring 2027
Variance from Original:		+0d (0%)	+0d (0%) <span>OK</span>
Variance from Revised Schedule:		0d	0d <span>OK</span>
*Current Forecast is Contractor's March Schedule update			
**Approval in process			

- Overall Project Progress is 22% complete.
- Final design progress is 86% complete.
- Tunneling
  - TBM #1 (BR) – work continues for the assembly of the full gantry assembly
  - TBM #2 (BL) – initial drive mined 100 feet.
- Stations
  - Station utility relocations ongoing at Westwood/VA and Westwood/UCLA stations; SOE piling at VA continues



TBM Assembly Overview at Tail Track Exit Shaft



Sewer Relocation Work at Westwood Blvd and Wilshire Blvd

June 2021



On target



Possible problem  
(5-10% variance)



Significant Impact  
(over 10% variance)



Metro 7

Construction Committee

Los Angeles County Metropolitan Transportation Authority

# WILLOWBROOK/ROSA PARKS STATION



## BUDGET

	<u>Original</u>	<u>Current</u>	<u>Forecast</u>
<b>TOTAL COST</b>	<b>\$109.3M</b>	<b>\$128.4M</b>	<b>\$128.4M</b>



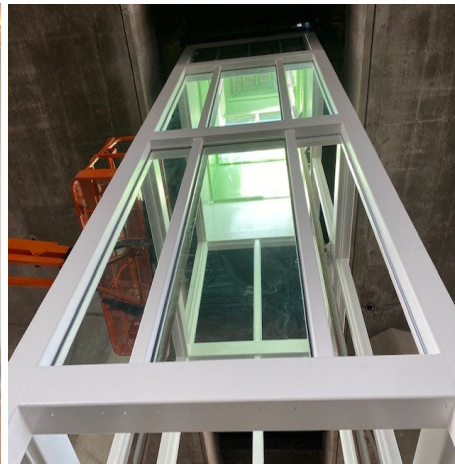
## SCHEDULE

	<u>Current</u>	<u>Forecast</u>
<b>SUBSTANTIAL COMPLETION</b>	<b>March 2021</b>	<b>June 2021</b>

- Package A and C: Punch lists items remaining have been consolidated and is finishing up. Full close-out of punch list expected by end of June. Completed installation of Artwork. North Pedestrian Crossing currently being converted into Emergency Crossing per CPUC. Final signal case installation scheduled for June.
- Package B: Package B underground utility work is complete with final hardscape at bus bays and park & ride lot being installed with expected completion by end of May. The Contractor will then focus on completing installation of final project components – security cameras, bus shelters, lighting, VMS and faregates.



Completed concrete work @ C Line west



Elevator #3 finish work



Formed & poured North Drainage System



Installed Art parasols @ central plaza

June 2021



On target



Possible problem



Significant Impact

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 8



# AIRPORT METRO CONNECTOR (AMC) PROJECT



## BUDGET

	<u>Original</u>	<u>Current</u>	<u>Forecast</u>
<b>TOTAL COST</b>	<b>\$898.6M</b>	<b>\$898.6M</b>	<b>\$898.6M</b>



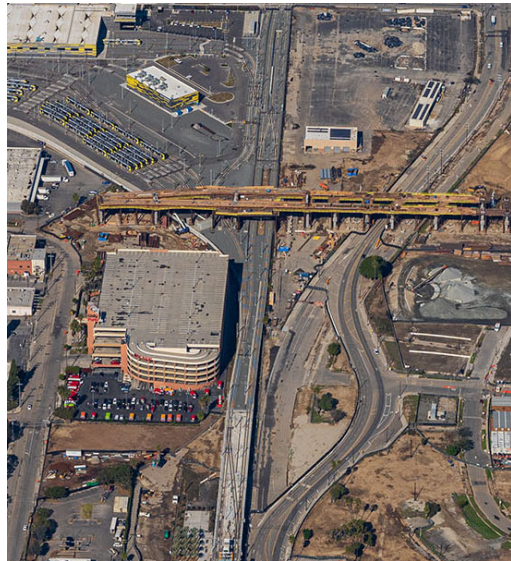
## SCHEDULE

	<u>Current</u>	<u>Forecast</u>
<b>REVENUE OPERATION</b>	<b>June 2024</b>	<b>June 2024</b>

- Early Works Phase construction contract NTP issued with shovel in ground scheduled for June 2021.
- Ceremony signaling the start of work scheduled for end of June 2021.
- Main Station Construction Contract in validation process with expected NTP issued Summer 2021.
- In continuous coordination with LAWA for construction integration on AMC Site. APM Guideway structural completed and cleared for AMC Work to begin.



Front Elevation along Aviation Blvd.



Construction of LAWA APM Guideway over AMC Site



June 2021



On target



Possible problem



Significant Impact

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 9

# DIVISION 20 PORTAL WIDENING TURNBACK

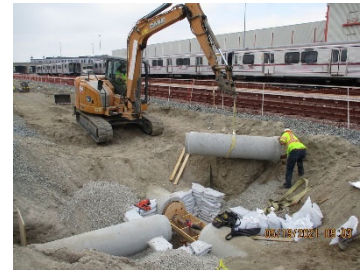
## ◆ BUDGET

	<u>Original</u>	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$801.7M	\$801.7M	TBD

- Overall Project progress is 22% complete.  
Includes Real Estate Acquisitions, Environmental, Design, Contract Mobilization, Early Demolition, Power, Utility contracts and contract change orders
- C1136 Portal Widening Turnback Contract**  
PWT C1136 Contract progress is 27%.  
Phase 1 Track, utilities, and civil work continues  
1<sup>st</sup> Street Bridge Rehabilitation and Portal Widening
- Major Change Orders to Date:**  
Hazardous Material Removal  
1<sup>st</sup> Street Bridge Rehabilitation  
Completion of Utility Contracts  
3<sup>rd</sup> Party Unforeseen Interfaces  
Design Revisions (*in progress*)
- C1184 Transfer Power Substation Contract** at 55%
- Coordination with Adjacent Projects**  
Purple Line Extension (PLE1)  
Regional Connector  
Metro Center Project  
6<sup>th</sup> Street Bridge (City of L.A. Project)
- Continued Regular risk assessments to determine budget/schedule**

## OK SCHEDULE

	<u>Current</u>	<u>Forecast</u>
SUBSTANTIAL COMPLETION	June 2024	June 2024



June 2021



On target



Possible problem



Significant Impact



Metro 10

Construction Committee

Los Angeles County Metropolitan Transportation Authority



# I-210 BARRIER REPLACEMENT PROJECT



## BUDGET

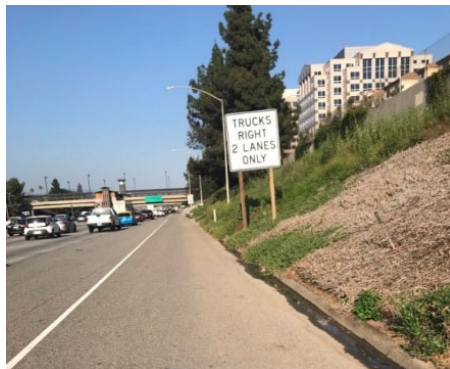
	<u>Original</u>	<u>Current</u>	<u>Forecast</u>
<b>TOTAL COST</b>	<b>\$11.08M</b>	<b>\$22.54M</b>	<b>\$22.54M</b>
	Design	Design	Design



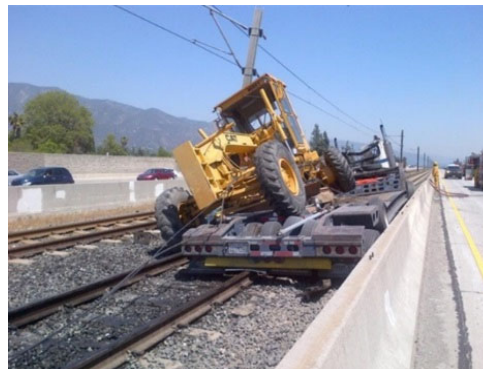
## SCHEDULE

	<u>Current</u>	<u>Forecast</u>
Complete Design (Proj 1)	Feb 2021	Winter 2021
Complete Design (Proj 2)	Aug 2022	Summer 2022

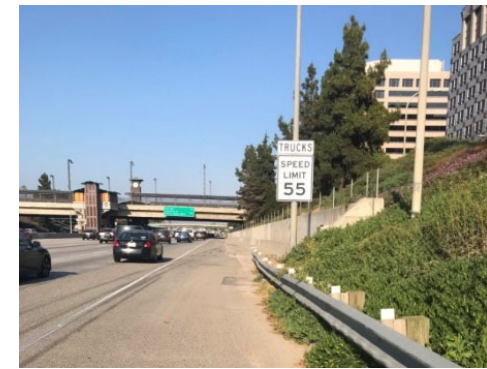
- Project 1: Segment from Michillinda to Iconic Bridge – Project 1 Plans, Specs and Estimate (PS&E) package has been approved by Caltrans Design. Funding source(s) for ADL and Haz Mat testing and construction for Project 1 are still to be determined.
- Project 2: Segment from west end of the project to Michillinda – Barrier analysis and the development of Project Study Report (PSR) for Project 2 are on-going. A barrier analysis workshop with Caltrans barrier and wall experts to take place on May 24, 2021.



Newly Installed Caltrans Freeway Sign



Incident in 2014



Newly Installed Speed Limit Sign

June 2021



On target



Possible problem



Significant Impact



Metro 11

Construction Committee

Los Angeles County Metropolitan Transportation Authority

# I-5 Construction Projects (Administered by Metro)



June 2021

Construction Committee

Los Angeles County Metropolitan Transportation Authority

# I-5 NORTH COUNTY ENHANCEMENTS



## BUDGET

	<u>Original</u>	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$679.3M	\$679.3M	\$679.3M



## SCHEDULE

	<u>Current</u>	<u>Forecast</u>
SUBSTANTIAL COMPLETION	Spring 2026	Spring 2026

- Notice to Proceed is expected to be issued in late spring/early summer
- Construction Community Meeting and Groundbreaking anticipated in summer
- Life of Project budget established in March 2021



June 2021



On target



Possible problem



Significant Impact



Metro 13

Construction Committee

Los Angeles County Metropolitan Transportation Authority

# I-5 Construction Projects (By Caltrans)



June 2021

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 14



# I-5 NORTH: SR 118 TO SR 134

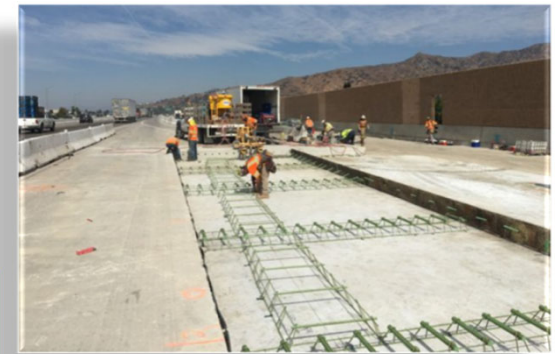
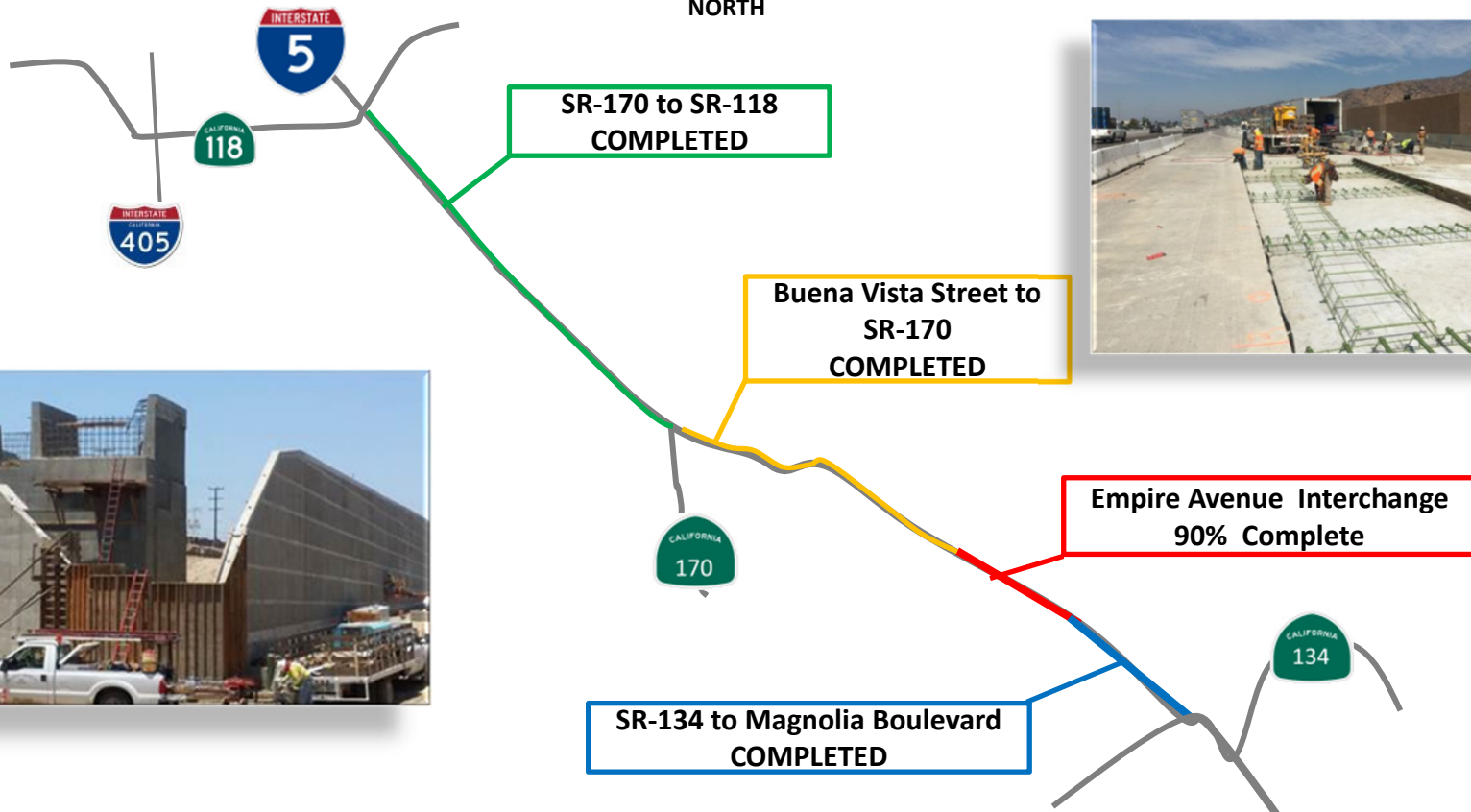


## ! BUDGET

	<u>Original</u>	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$845.2M	\$954.1M*	\$954.1M*

## ! SCHEDULE

	<u>Current</u>	<u>Forecast*</u>
ANTICIPATED PROJECT COMPLETION	Fall 2022	Spring 2023



June 2021



On target



Possible problem



Significant Impact



Metro 15

Construction Committee

Los Angeles County Metropolitan Transportation Authority

\* Risk Analysis, Feb 2021 with the Approved Loan Term Amount

# I-5 SOUTH: ORANGE COUNTY LINE TO I-605



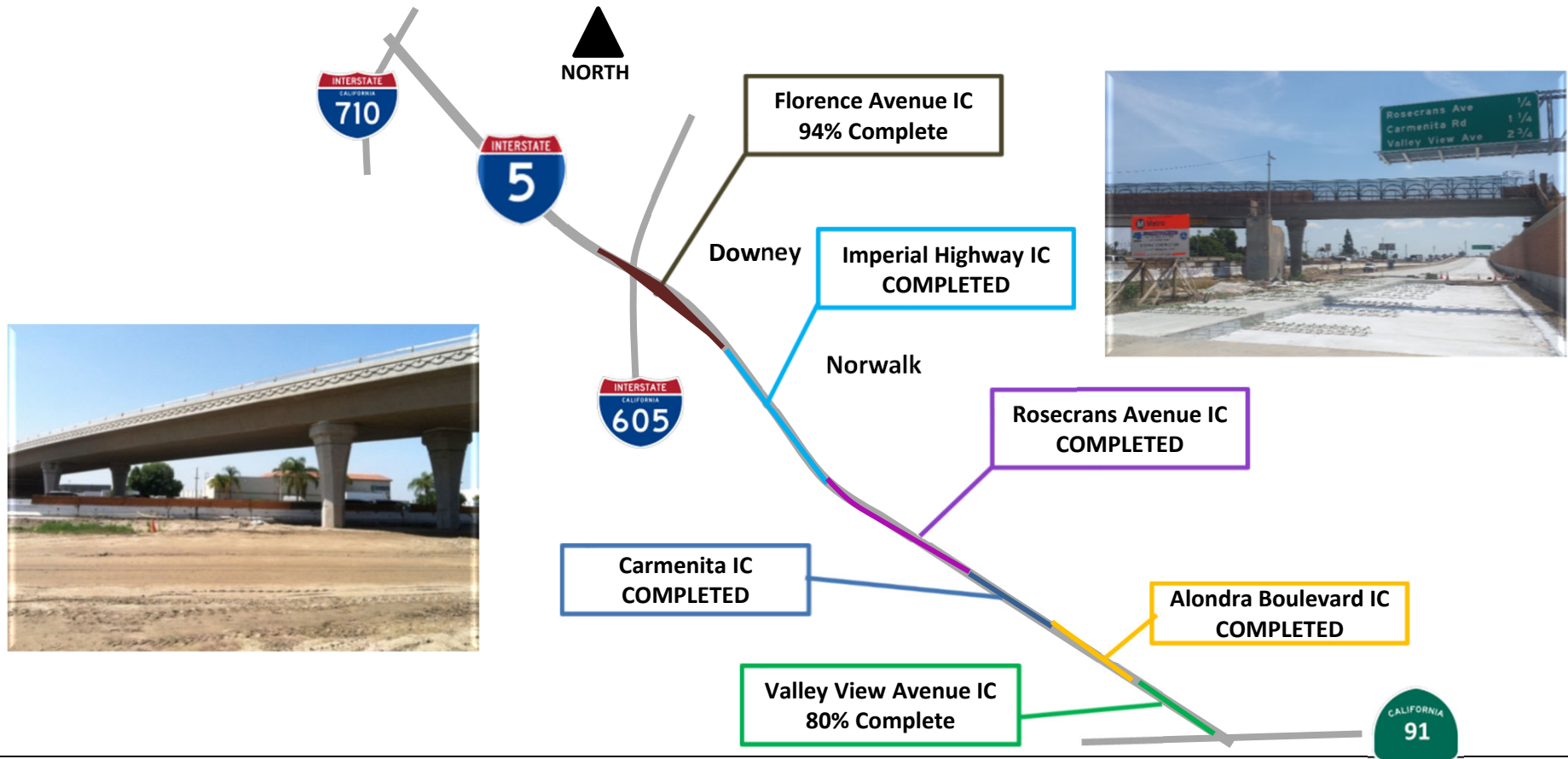
## BUDGET

	<u>Original</u>	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$1,488M	\$1,888M	\$1,888M*



## SCHEDULE

ANTICIPATED PROJECT COMPLETION	<u>Current</u>	<u>Forecast*</u>
	Winter 2022	Spring 2023



June 2021



On target



Possible problem



Significant Impact



Metro 16

Construction Committee

Los Angeles County Metropolitan Transportation Authority

\* Risk Analysis, Feb 2021



## Board Report

File #: 2021-0355, File Type: Program

Agenda Number: 33.

### CONSTRUCTION COMMITTEE JUNE 17, 2021

**SUBJECT: NEW ENHANCEMENTS TO METRO'S MEDIUM-SIZE BUSINESS ENTERPRISE PROGRAM AND SMALL BUSINESS ENTERPRISE PROGRAM**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

APPROVE:

- A. New Medium Size Business Program Enhancements;
- B. Increase of Small Business Prime limits for competitively negotiated procurements;
- C. Community Level Contracting Program Concept; and
- D. Pursuit of Letters of Agreement with the County of Los Angeles, Los Angeles Community College District, the City of Los Angeles, Los Angeles Unified School District, Metrolink, and Los Angeles World Airports for them to officially accept Metro's SBE Certification and pursue reciprocity agreements with BART and VTA since they have similar requirements for certification.

#### **ISSUE**

On January 28, 2021, the Board passed Motion 51 (Directors Dupont-Walker, Hahn, Mitchell, Butts, Najarian and Solis) requesting a report back in April 2021 on strategies to create new pathways for the increase and continued access to contracting opportunities for Small Business Enterprises (SBEs) and Medium-Size Business Enterprises (MSZs) through the enhancement of Metro's MSZ and SBE Programs. Subsequently, the Board directed staff to report back in June with program recommendations for Board consideration with an implementation timeline.

#### **BACKGROUND**

Metro's current Small Business Enterprise (SBE) goal program has aided Metro in increasing SBE participation on Metro contracts. Over the last three fiscal years, Metro has awarded \$424 million to small businesses on its non-federally funded contracts. Small business set-asides allow for small businesses to bid as primes, fostering opportunities to grow and build capacity. In 2014, Metro

launched its Small Business Prime Set-Aside program to help small businesses compete for contracts as primes by "setting aside" specific purchases from three thousand dollars (\$3,000) to three million dollars (\$3,000,000) exclusively for participation by Metro SBE certified firms. The program has experienced continuous improvement through legislative authorization to include set-aside procurements on competitively low bid procurements contributing to the increase of participation in the program. From program inception through to-date, Metro has awarded more than \$177 million in SBE Prime Set-Aside awards. This program is vital to increasing small business participation in Metro's contracting and has proven to be successful toward meeting this growth objective. In 2016, Metro launched its Medium Size Business Enterprise (MSZ) program, the first of its kind nationally to address the gap between small and large businesses by creating opportunities where MSZs can compete on non-federally funded procurements.

## **DISCUSSION**

### **Medium Size Business Program**

Assessment of the MSZ program consisted of creating a tiered approach for competitively negotiated procurements and incorporating feedback received from stakeholders in the February 2021 program improvement survey, reviewing existing contract thresholds, and revisiting the MSZ eligibility criteria. The current MSZ limit is \$12M - \$30M. New enhancements to the MSZ Program include a two-tiered approach for non-federally funded competitively negotiated procurements.

<b>MSZ-I and MSZ-II Competitively Negotiated Threshold and Applicability Request for Proposal (RFPs)</b>				
<b>Action Type</b>	<b>Current MSZ Threshold</b>	<b>Proposed MSZ Threshold</b>	<b>Applicable to Federally Funded Acquisition</b>	<b>Applicable to Non-Federally Funded Acquisitions</b>
Negotiated procurements for, Supplies, Equipment Materials and Services, including professional services, excluding Architecture and Engineering Services	<b>Formal Acquisitions</b>	<b>Formal Acquisition</b>		
	<b>MSZ</b> \$12M - \$30M	<b>MSZ- I</b> \$5,000,000 - \$14,999,999  <b>MSZ- II</b> \$15,000,000 - \$30,000,000	RFP  No	RFP  Yes

To determine the proposed thresholds, Metro reviewed the number of contracts awarded within the gap between the SB Prime and the MSZ programs. The review revealed that small, medium, and large businesses are all bidding within this space without a program in place that creates set aside

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opportunities for small certified firms and firms that have surpassed the limits of certification programs. Metro also considered benchmarking results from the City of Chicago's Medium Size Business Initiative (MBI), the only MSZ program we could find nationally outside of Metro's program. Chicago's two-tier contracting thresholds are: MBI 1 - for contracts estimated not less than \$10 million and not more than \$20 million and MBI 2 - for contracts not less than \$3 million and not more than \$10 million. In addition, Metro assessed results of its Medium Size Business (MSZ) and Small Business (SBE) Program's survey conducted in February 2021 and found respondents recommended a wide range of threshold changes from \$500K to as high as \$75M. Notwithstanding, as a ground breaking initiative, Metro took the approach to split the middle of the new range to create the tiers.

- **MSZ-I:** The MSZ-I will provide set-aside prime contracting opportunity for firms that have surpassed the limits for participation in the certification programs and are now considered medium size firms and meets the definition for MSZ-I. These firms are no longer eligible to participate in the Small Business Prime program. The new threshold, will offer an immediate step from the Small Business Prime (subject to threshold change) to the MSZ-I. An additional enhancement to this program is to open a pathway for certified small, disadvantaged, and disabled veteran business firms to team, bid and compete as a prime, among MSZ-I firms within this contract threshold. It is recommended that MSZ-I solicitations are strictly set-aside for firms that meet the MSZ-I definition.
- **MSZ-II:** The MSZ II will provide set-aside prime contracting opportunities for medium-sized firms that meet the definition of MSZ-II. This upper limit of the MSZ threshold range does not exceed the current \$30 million cap for the program. The MSZ-II tier will promote growth for MSZ-I firms by providing an open pathway for MSZ-I firms to team, bid and compete among MSZ-II firms within this contract threshold.

Solicitations that fall within the MSZ-I and MSZ-II contract thresholds will be subject to established SBE/DVBE goals, where applicable. As such, MSZs and all other proposers must meet the SBE/DVBE goal(s) to be eligible for award. The recommended changes to the MSZ definition for each level are:

- **MSZ - I:**
  1. A firm that is not a subsidiary of another firm and has gross annual receipts, averaged over three years or number of employees that do not exceed one and a half times the Small Business Size Standards set forth in 13 C.F.R. Part 121, in its applicable North American Industry Classification System (NAICS) Code(s), as amended; or
  2. A certified Metro SBE firm, a DBE firm certified by the California Unified Certification Program (CUCP) or certified as a DVBE by the Department of General Services. Firms no longer deemed eligible under the subject certification programs, must meet (1) above.

- MSZ - II:
  1. A firm that is not a subsidiary of another firm and has gross annual receipts of at least \$26.30 million, averaged over three years or number of employees that do not exceed two times the Small Business Size Standards, as set forth in 13 C.F.R. Part 121, in its applicable North American Industry Classification System (NAICPS) Code(s), as amended.

For non-federally funded competitive low bid procurements, Metro is unable to apply the MSZ tier-approach. This will require a legislative change to the Public Utilities Code (PUC) Section 130232(f) (5)(vi). The current definition for MSZ, a firm that is not a subsidiary of another firm, has gross annual receipts of \$25 million - maximum \$250 million (averaged over three years), with a maximum of 250 employees, will remain unchanged for competitive low bid procurements. However, Metro does recommend lowering the minimum threshold for competitive low bid from \$12M down to \$3M but not to exceed \$29,999,999, which is allowable under current statutory authority. This change will create an immediate step from the Small Business Prime program to the MSZ program for competitively low bid procurements.

<b>Competitively Low Bid Threshold and Applicability Invitation for Bid (IFB) / Request for Quotes (RFQs)</b>			
<b>Action Type</b>	<b>Formal Acquisitions</b>	<b>Applicable to Federally Funded Acquisition</b>	<b>Applicable to Non- Federally Funded Acquisitions</b>
Awards under Sealed Bid for Supplies, Equipment materials and Services, and Public Works, excluding Architecture and Engineering Services	\$3,000,000 - \$29,999,999	IFB/RFQ	
		No	Yes

### Small Business Prime

The recommended improvement to the Small Business Prime limits is specifically for non-federally funded competitively negotiated procurements. The recommendation is to increase the maximum contract threshold from \$3 million to \$4,999,999. The benefit for this change is to allow an immediate step from the Small Business Prime to the new proposed minimum of the MSZ-I tier.

The current Small Business Prime competitively low bid threshold exceeds \$5,000 - but is less than \$3 million. Any change will require a legislative change to the Public Utilities Code (PUC) Section 130232(f)(5)(v). As such the current threshold will remain in place. Metro will assess the current competitive low bid contract threshold limits for Small Business Prime and MSZ and will propose new legislative changes as applicable for the 2022 Legislative calendar.

Action Type	Current Threshold	New Threshold
Negotiated awards for Supplies, Equipment, Materials and Services, including all professional services, excluding Architecture and Engineering Services (RFPs)	\$3,000 to \$3 Million	\$3,000 to \$4,999,999

### SBE Certification

In evaluating other local and regional SBE Programs through extensive benchmarking as well as evaluating the responses to Metro's Small Business Programs Survey, Metro recommends that DEOD obtain letters of agreement with the City of Los Angeles, the County of Los Angeles, Los Angeles Community College District, Metrolink, LAWA, and the Los Angeles Unified School District in order for them to officially recognize Metro's SBE Certification. In addition, Metro staff will increase the Small Business Program's (SBE) Personal Net Worth (PNW) threshold should legislation be approved by Congress increasing the PNW for the Federal DBE Program. A recent increase to the DBE Gross Receipts from \$23.98 million to \$26.29 million went into effect on January 13, 2021. In response, Metro has already increased the SBE program gross receipts to match this increase as Metro's SBE program mirrors the Federal DBE program.

While Metro staff does not recommend self-certification; we do recommend pursuing official Letters of Agreement with City and County agencies and reciprocity agreements with BART and VTA which share similar certification standards with Metro.

Additionally, the following is a partial list of entities already accepting Metro's Small Business certification (without a formal agreement), thereby leveraging the strength of Metro's certification for small businesses that choose to be certified with us:

- City of Los Angeles
- Los Angeles World Airports (LAWA)
- County of Los Angeles
- Los Angeles Unified School District
- Los Angeles Community College District
- Southern California Regional Rail Authority (Metrolink)
- Numerous private firms with supplier diversity/small business programs.

### Community Level Contracting Program

In March, Metro staff met with the City of Los Angeles' staff on their Community Level Contracting (CLC) program. The City of Los Angeles's contracting authority supports the execution of contracts to be used in a manner similar to Job Order Contracting (JOC). This project specific contracting



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program carves out construction opportunities for small and emerging businesses on predetermined projects, such as sidewalk repair, truck washing, and solar panel installation. These projects are typically under \$100,000, priced by the City, and offered to pre-approved small businesses on a rotating basis.

Currently, Metro does not have authority to enter into similar arrangements under the PUC. Through the Government Relations Office, Metro staff has initiated discussion with County Counsel and client departments to define Metro's objectives for the use of the JOC program on capital projects, inclusive of CLC program parameters. Metro is using the school districts JOC PUC statute as a model in crafting language for Metro. Government relations will coordinate efforts to pursue conforming legislation in the 2021 legislative calendar. Staff is developing the administrative manual to implement this Program.

#### Implementation Timeline

The timeline in Attachment A addresses the activities necessary for implementation of recommendations.

#### FINANCIAL IMPACT

There is no immediate budget impact to this Recommendation report. However, there are several actions Metro can take to increase contracting opportunities and advance equity that may have a financial impact to the FY22 budget.

#### IMPLEMENTATION OF STRATEGIC PLAN GOALS

This report supports strategic plan Goal 5.5, "Expanding opportunities for businesses and external organizations to work with Metro."

#### NEXT STEPS

Staff will continue with its implementation plan and timeline as outlined and will provide report back to the Board in 6 months.

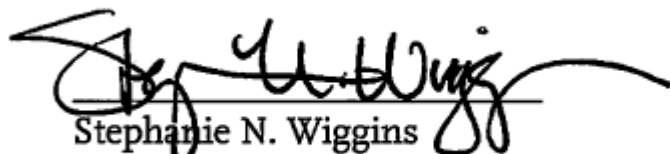
#### ATTACHMENTS

Attachment A - New Medium and Small Business Program Enhancement Implementation Timeline  
Attachment B - Motion 51

Prepared by: Dr. Irma Licea, Director, DEOD, (213) 922-2207  
Tashai Smith, Deputy Executive Officer, DEOD, (213) 922-2128  
Miguel Cabral, Executive Officer, DEOD, (213) 418-3270

Reviewed by: Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051





Stephanie N. Wiggins  
Chief Executive Officer

## ATTACHMENT A

NEW MEDIUM SIZE AND SMALL BUSINESS PROGRAM ENHANCEMENT IMPLEMENTATION TIMELINE					
	March – May	June – July	August – September	October – November	December – January
<b>MSZ Policy Enhancements</b>	<ul style="list-style-type: none"> <li>• Explored new program requirements</li> <li>• Review changes with VCM and County Counsel</li> <li>• Draft Policy changes</li> <li>• Prepare Board recommendations</li> </ul>	<ul style="list-style-type: none"> <li>• Present policy recommendations to EMC</li> <li>• Upon Board approval, work with VCM and Acquisition Policy to update solicitation Templates with new requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Update VCM administrative procedures</li> <li>• Announce new program changes to bidding community</li> <li>• New policy changes will apply to Solicitations advertised on or after September 1, 2021</li> </ul>	<ul style="list-style-type: none"> <li>• Engage Government Relations on any updates to PUC Section for applications on competitively low bid procurements</li> </ul>	<ul style="list-style-type: none"> <li>• Develop framework for PUC statute change as applicable for the 2022 Leg Calendar</li> </ul>
<b>Community Level Contracting (CLC)</b>	<ul style="list-style-type: none"> <li>• Develop Task Force with DEOD/VCM/ County Counsel</li> <li>• Review state/federal statute impacts</li> <li>• Review Job Order Contracting (JOC) and CLC requirements for compatibility to Metro</li> <li>• Pursue new PUC Section to address JOC and CLC programs</li> </ul>	<ul style="list-style-type: none"> <li>• Develop draft JOC/CLC statute language</li> <li>• Engage Clients for best project scopes to Pilot</li> <li>• Seek bill sponsor for the current 2021 Leg Calendar</li> </ul>	<ul style="list-style-type: none"> <li>• Collaborate with Government Relations, VCM/Counsel through Leg process</li> </ul>	<ul style="list-style-type: none"> <li>• Develop Administrative Policy for CLC based on final bill language</li> </ul>	<ul style="list-style-type: none"> <li>• January 1, 2022 effective date subject to successful signing of impending bill into law</li> </ul>
<b>Leader / Follower</b>	<ul style="list-style-type: none"> <li>• Develop Task Force with DEOD/VCM/ County Counsel</li> <li>• Review state/federal statute impacts</li> </ul>	<ul style="list-style-type: none"> <li>• Explore and define opportunities and challenges</li> </ul>	<ul style="list-style-type: none"> <li>• Research concept on applicability competitively negotiate procurements</li> <li>• Assess enhancement to existing Mentor Protege program</li> </ul>	<ul style="list-style-type: none"> <li>• Draft program initiative</li> </ul>	<ul style="list-style-type: none"> <li>• Develop implementation plan</li> </ul>
<b>Certification Enhancements</b>	<ul style="list-style-type: none"> <li>• Benchmarking of Local SBE Programs and CUCP SBE Programs</li> <li>• Review of other transit agency SBE programs</li> <li>• Conducted a Metro Small Business survey and conducted an analysis of responses</li> <li>• Identify potential Personal Net Worth Increases to the SBE Program Thresholds</li> </ul>	<ul style="list-style-type: none"> <li>• Present Recommendations to EMC</li> <li>• Upon Board Approval, contact local agencies, and pursue letters of agreement from those who will accept Metro's SBE Certification</li> <li>• Pursue potential reciprocity agreements with BART and VTA</li> </ul>	<ul style="list-style-type: none"> <li>• Execute letters of agreements and applicable reciprocity agreements as appropriate.</li> <li>• Make appropriate changes as approved to the SBE Program language.</li> <li>• Make approved changes to B2GNow.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement Changes</li> </ul>	



Metro

Los Angeles County  
Metropolitan Transportation  
Authority  
One Gateway Plaza  
3rd Floor Board Room  
Los Angeles, CA

## Board Report

**File #:** 2020-0930, **File Type:** Motion / Motion Response

**Agenda Number:** 51.

**REVISED**  
**REGULAR BOARD MEETING**  
**JANUARY 28, 2021**

### Motion by:

#### **DIRECTORS DUPONT-WALKER, HAHN, MITCHELL, BUTTS, NAJARIAN, AND SOLIS**

#### Enhancements to Metro's Medium-Size Business Enterprise Program and Small Business Enterprise Program

In the time of current economic distress, Metro should review its Small Business Enterprise (SBE) program and Medium-Size Business Enterprise (MSZ) program to create new pathways for a continuum of contracting opportunities for SBEs and MSZs.

Metro's SBE Program was intended to create opportunities for small businesses to obtain contracting agreements with Metro. With Metro's size and presence in Los Angeles County, an SBE's trajectory can dramatically change with one contract, however small it may seem compared to Metro's overall contracting portfolio.

Most importantly, the SBE program has served as a tool for equity and can be made even more impactful with carefully administered adjustments. Metro, through its unique position in the county, has a responsibility and opportunity to lift up local small businesses, especially those in historically overlooked neighborhoods. The chance to compete for Metro contracts should be more accessible to, and protective of, these underserved communities. This creates more possibilities for L.A. County's remaining SBEs and addresses the needs of an emerging group of MSZs.

Metro currently has many working relationships with such businesses. Still, there is always room for improvement-especially at this moment of ongoing economic distress. One potential is to strengthen its MSZ program to set-aside contracting opportunities for medium-size businesses to compete with similar-size firms.

In January 2019, Metro established the MSZ program. This program addresses the gap between small businesses and large businesses by creating opportunities where only MSZs can compete on non-federally funded procurements. Pursuant to AB-1205 (Jones-Sawyer), the MSZ program applies to both negotiated Requests for Proposal (RFPs) and low-bid Invitations for Bid (IFBs) with an estimated value between \$12 million and \$30 million. MSZs are defined as firms that are not a

subsidiary of another firm, have gross annual receipts of \$25 million - maximum \$250 million (averaged over three years), with a maximum of 250 employees. While the intent of the program is to solicit and award to MSZs, solicitations still allow larger-size firms to respond. If Metro receives only one bid/proposal from an MSZ, it will consider bids/proposals from larger-size firms as well. This may have the unintended consequence of discouraging MSZs from competing for contracts.

Currently, there is one solicitation for the Construction Support Services for Metro G Line (Orange) Bus Rapid Transit Improvements Project. This procurement is pending a result based on proposals being received.

Acknowledging Metro's desire to create a more robust MSZ program, Metro should take additional steps to identify more opportunities to increase MSZ Prime contracting participation while continuing to facilitate small and disadvantaged business participation on such contracts.

**SUBJECT: ENHANCEMENTS TO METRO'S MEDIUM-SIZE BUSINESS ENTERPRISE PROGRAM AND SMALL BUSINESS ENTERPRISE PROGRAM**

**RECOMMENDATION**

APPROVE Motion by Directors Dupont-Walker, Hahn, Mitchell, Butts, Najarian, and Solis that the Board direct the Chief Executive Officer to study and recommend MSZ and SBE solutions that embrace Equity considerations, including but not limited to the Disparity Study, impact on historically underutilized businesses, and consistency with industry best practices. These studies should focus on the following:

- A. Review requirements for contracting opportunities with SBEs, including but not limited to:
  - 1. Determining feasibility of achieving certification reciprocity with agencies at the state, county, and local levels that have similar baseline standards as Metro
  - 2. Exploring strategies to ensure that only legitimate SBEs and MSZs may compete for Metro contracts
  - 3. Reviewing certification standards, ownership, owner credentials, and other costs associated with competing for contracts, and recommending steps to streamline the process, ensuring integrity while making it more user-friendly and less costly
- B. Review procurement requirements and identify potential ways to increase contracting opportunities for MSZs, including but not limited to:
  - 1. Reviewing eligibility requirements for participation in the MSZ program to identify strategies to increase the number of businesses that qualify for the program
  - 2. Ensuring that recommendations consider equity, historically underutilized businesses, and key elements of the Disparity Study (current or proposed, if within the next 12 months)

3. Defining strategies to create incentives for prime contractors to utilize MSZs that no longer meet SBE criteria; and

C. Report back on all the above at the April 2021 Board cycle.



## Board Report

File #: 2021-0356, File Type: Program

Agenda Number: 34.

### CONSTRUCTION COMMITTEE JUNE 17, 2021

**SUBJECT: FEDERAL TRANSIT ADMINISTRATION  
OVERALL DISADVANTAGED BUSINESS ENTERPRISE GOAL**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

APPROVE 28% Disadvantaged Business Enterprise (DBE) overall goal for Federal Fiscal Years (FFY) 2022 - 2024 for contracts funded, in whole or in part with Federal Transit Administration (FTA) funds.

#### **ISSUE**

The United States Department of Transportation (USDOT) Disadvantaged Business Enterprise (DBE) Program regulations, 49 Code of Federal Regulations (CFR) Section 26.21, require FTA grantees, who can reasonably anticipate awarding \$250,000 or more in prime contracts, to submit an overall goal to FTA for the participation of DBE firms every three years.

#### **DISCUSSION**

The Metro proposed DBE overall goal for FFY 2022 - 2024 is 28%, a 1% increase from the current FFY 2019- 2021 goal of 27%. The proposed overall goal was established by using the two-step goal-setting process prescribed in 49 CFR § 26.45. Metro's base figure for establishing the relative availability of DBEs follows the method suggested in 49 CFR § 26.45(c)(3), the use of availability and disparity study data from Metro's 2017 a disparity study (Study), posted at:

<https://www.metro.net/about/metro-disparity-study/>.

Overall DBE Goal Calculation Methodology

Base Figure

The Overall DBE Goal Methodology Report FFY 2022 - 2024 (Goal Setting Report), Step 1 establishes a base figure of relative DBE availability. This was done by utilizing quantifiable evidence to determine the relative availability of minority and woman-owned businesses that are ready, willing, and able to perform transportation-related work. Metro expects to award nearly \$970 million worth of FTA-assisted construction, professional services, and goods and services contracts in FFY 2022 through FFY 2024. Approximately, \$314 million, or 32 percent, of those dollars are associated with previously awarded mega projects that will let subcontracting opportunities in FFYs 2022 through

2024.

As part of its Step 1 analysis, Metro only counted the contract dollars on those mega projects that Metro expects to award during the new goal-setting period. Metro also projected the amount of anticipated subcontracting associated with future projects based on information about similar projects that the agency previously awarded. Metro evaluated each anticipated project and assigned it a specific work type (i.e., *subindustry*) based on the 2017 Disparity Study. For a full list of the work types included in the Step 1 analysis, see Appendix E of the 2017 Disparity Study report.

The Study calculated a weighted base, enumerating availability in accordance with the proportion of contracts reviewed during the Study period. In its review of anticipated contracts Metro expects to award in the upcoming goal period, it was determined that such contracts are similar to the types, and size of contracts that were analyzed during the Study period. As such, staff recommends the Study base figure of 22.6%, see Figure 1 of Attachment A.

A Step 2 Adjustment is to be considered once the base figure has been calculated. Step 2 of the process requires Metro to consider other known factors to determine what additional adjustments, if any, are needed. Metro considered the Current capacity of DBEs to perform work on USDOT-assisted contracting, information related to employment, self-employment, education, training, and unions, any disparities in the ability of DBEs to get financing, bonding, and insurance, and other relevant data. Metro made an upward adjustment that specifically accounts for barriers that minorities and women face related to business ownership in the local marketplace. This factor has a clear, direct, and quantifiable effect on the availability of minority- and woman-owned businesses for Metro work, and making an upward adjustment reflects Metro's commitment to remedying the continuing effects of past race- and gender-based discrimination in the marketplace. As such, the adjustment uses potential DBE availability that has been adjusted for disparities in business ownership rates. Doing so yields an overall DBE goal of 27.9%, rounded to 28%, see Figure 3 of Attachment A.

### Race-Conscious Application

DBE contract-specific goals can be set higher or lower than the overall goal based on the scope of work of the contract and the identified subcontracting opportunities. Guidance issued by the USDOT and FTA as a result of the decision of the Ninth Circuit Federal Court in the *Western States Paving Co., Inc. v. Washington State Department of Transportation* mandates that race-conscious measures used to remedy effects of discrimination must be "narrowly tailored" to those groups where there is sufficient demonstrable evidence of discrimination.

As such, recipients in the Ninth Circuit cannot consider the use of a race-conscious goal unless a finding of disparity has been made for the ethnic and gender groups to be included in the application. The Study found all groups with the exception of Subcontinent Asian American-owned businesses, exhibited disparity indices substantially below parity on contracts without DBE goals.

A disparity index of 100 indicates parity between participation and the availability for a particular group for a specific set of contracts. A disparity less than 80 has been deemed by several courts to be a "substantial" disparity between participation and availability and have accepted it as evidence of adverse conditions for M/WBEs. The Study shows disparity indices showed substantial disparity for groups on contracts with no goals as follows: Hispanic American (59), Black American (30), Non-

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Hispanic white women (37), Asian-Pacific American (73), Native American (52), supporting the continued use of narrowly tailored DBE contract goals for these groups. However, the disparity indices showed Subcontinent Asian American (161), to be at parity (over-utilized), requiring Metro to seek a limited waiver from the US DOT to remove Subcontinent Asian American as eligible for DBE contract goals.

#### Limited Application Waiver

The DBE Program 49 CFR § 26.47 requires that overall goals must provide for participation by all certified DBEs, must not be subdivided into group specific goals, and must submit to FTA a waiver for approval to do so. In July 27, 2018, Metro staff submitted a waiver letter to FTA Region 9 - Office of Civil Rights for submission to the Office of the Secretary (OSEC) to not consider Subcontinent Asian American-owned DBE firms as eligible for DBE contract goals for the FFY2019-2021 overall goal period. The limited waiver was reviewed by FTA Headquarters and was forwarded to the U.S. Department of Transportation (US DOT), Office of the Secretary for approval. Metro submitted a status to FTA in May 2019 and was informed that FTA would notify Metro of any change in status. This change remains pending.

Notwithstanding, in keeping with the federal requirement, Metro will submit an updated waiver request to FTA for the FFY2022-2024 goal period. Metro is required to make no changes to its program until it receives a response from the OSEC. As such, all DBE groups will remain eligible for contract goals subject to receiving a response to the waiver letter. If approved, staff will notify the Board and the contracting community of any change to the implementation of contract-specific goals.

#### Public Participation

The DBE overall goal and goal methodology report and public notice was posted on the Metro website on May 13, 2021. A 30-day public comment period was conducted beginning May 13, 2021 and ended on June 13, 2021. Staff held three virtual public meetings on May 25<sup>th</sup>, 27<sup>th</sup> and on June 3<sup>rd</sup>, 2021. Staff issued e-blasts to inform the minority and women business, and businesses at large, of the public notice, the public meetings and ways to submit written or verbal comments. The public notice was also posted on Metro's social media accounts and included in over 14 minority and women and majority newspapers. Metro presented the goal and goal methodology report to the Transportation Business Advisory Council at the June 3<sup>rd</sup> monthly meeting.

#### Pandemic Consideration

Metro is aware of substantial impacts to small businesses due to the economic challenges presented by the COVID-19 pandemic. While quantitative information on the impacts for small businesses in Metro's market area are not yet available, DEOD is continuing to monitor the market and look for opportunities to assist small businesses as they adapt to new economic conditions. DEOD expects to learn more about the impact of the pandemic in its next disparity study to be awarded in FY22 Q1 with a 10 to 12-month timeline to complete.

#### Comparison of Other Agency Overall Goals

Metro staff surveyed other transportation agencies to determine the level of overall goals in



comparison to Metro's Overall DBE Goal. The results are summarized below:

Agency Name	Overall DBE Goal	Goal Period
Los Angeles County Metropolitan Transportation Authority	28%	FFY 2022 - 2024
New York City Transit	8%	FFY 2019 - 2021
San Francisco Municipal Railway	22%	FFY 2020 - 2022
Metropolitan Atlanta Rapid Transit Authority	23%	FFY 2021 - 2023
Denver Regional Transportation District	20.3%	FFY 2020 - 2022
Chicago Transit Authority	26%	FFY 2018 - 2020
San Francisco Bay Area Rapid Transit	16%	FFY 2020 - 2022
Dallas Area Rapid Transit	31%	FFY 2020 - 2022
Caltrans	17.6%	FFY 2019 - 2021
Santa Clara Valley Transportation Authority	20%	FFY 2019 - 2022
Washington Metropolitan Area Transit Authority	25%	FFY 2020 - 2022
Metrolink (SCRRA)	12%	FFY 2019 - 2021
Orange County Transportation Authority	11%	FFY 2019 - 2021
Maryland Transit Administration	30%	FFY 2020 - 2022

## **DETERMINATION OF SAFETY IMPACT**

This board action will not have an impact on safety standards for Metro.

## **FINANCIAL IMPACT**

Funding to support the DBE Program is included in the FY22 budget for multiple capital and non-capital projects.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This report supports strategic plan Goal 5.5, "Expanding opportunities for businesses and external organizations to work with Metro."

## **ALTERNATIVES CONSIDERED**

The triennial overall DBE goal is a requirement under the DBE program and a condition of receiving FTA funds, and as such, staff does not recommend an alternative.

## **NEXT STEPS**

- Submit DBE overall goal and goal methodology and limited waiver request to FTA by August 1, 2021 deadline, in order to prevent any delay in the receipt of federal funds

- Overall DBE goal effective October 1, 2021 through September 30, 2024
- Notify the Board of US DOT, Office of Secretary approval or disapproval of limited waiver, and notify contracting community of any changes.

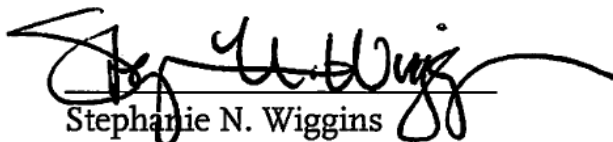
### **ATTACHMENTS**

Attachment A - Overall DBE Goal Methodology Report FFY 2022 - 2024

Attachment B - Overall DBE Goal Presentation

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## **DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM PROPOSED THREE-YEAR OVERALL GOAL & METHODOLOGY FOR FEDERAL FISCAL YEARS 2022 THROUGH 2024**

The Los Angeles County Metropolitan Transportation Authority (Metro) last developed an overall Disadvantaged Business Enterprise (DBE) goal in 2018, which the agency used for federal fiscal year (FFY) 2019 through FFY 2021 (a goal of 27%). In accordance with 49 Code of Federal Regulations (CFR) Part 26, the United States Department of Transportation's (USDOT's) Tips for Goal-Setting, and other official USDOT guidance, Metro based its goal and goal methodology on a disparity study that BBC Research & Consulting (BBC) completed in September 2018 (referred to herein as the 2017 Disparity Study) as well as on other relevant information. Based on disparity study results, information about USDOT-assisted projects the agency anticipates awarding, and federal guidance, Metro proposes a new three-year overall DBE goal for FFY 2022 through FFY 2024. To determine its new overall DBE goal, Metro followed the two-step goal-setting methodology set forth in 49 CFR Section 26.45.

### **Step 1. Determining a Base Figure – 49 CFR Section 26.45(c)**

Metro began the process of determining its overall DBE goal by first establishing a base figure. Consistent with USDOT guidance, Metro established a base figure based on Federal Transit Administration (FTA)-assisted contracts that the agency anticipates awarding in FFY 2022 through FFY 2024.<sup>1</sup> Metro projects that it will award nearly \$970 million worth of FTA-assisted construction, professional services, and goods and services contracts in FFY 2022 through FFY 2024. Metro also projected the amount of anticipated subcontracting associated with future projects based on information about similar projects that the agency previously awarded. Metro evaluated each anticipated project and assigned it a specific work type (i.e., *subindustry*) based on the 2017 Disparity Study. For a full list of the work types included in the Step 1 analysis, see Appendix E of the 2017 Disparity Study report.

After assigning subindustries, Metro used data from a *custom census* availability analysis that BBC conducted as part of the 2017 Disparity Study to determine the availability of minority- and woman-owned businesses working in each relevant subindustry (for details, see Chapter 5 and Appendix E of the 2017 Disparity Study report). For the purposes of establishing a base figure, the availability analysis was limited to the availability of *potential DBEs*—minority- and woman-owned businesses that are DBE-certified or appear they could be DBE-certified based on revenue requirements described in 49 CFR Section 26.65.

**Methodology for the availability analysis.** The availability analysis focused on specific subindustries related to the types of FTA-funded contracts that Metro anticipates awarding in FFY 2022 through FFY 2024. Metro used a database of potentially available businesses that BBC

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<sup>1</sup> Consistent with USDOT guidance, Metro considers any contract with at least \$1 of FTA funding as an "FTA-assisted contract" and includes the total value of the contract in its pool of total FTA-assisted contracting dollars.

developed through surveys with business establishments that are located in Metro's relevant geographic market area and that work in relevant subindustries.<sup>2</sup>

**Overview of availability surveys.** As part of the 2017 Disparity Study, BBC conducted telephone surveys with business owners and managers to identify businesses that are potentially available for Metro's FTA-assisted prime contracts and subcontracts.<sup>3</sup> BBC began the survey process by collecting information about business establishments from Dun & Bradstreet (D&B) Marketplace listings. BBC collected information about all business establishments listed under 8-digit work specialization codes (as developed by D&B) that were most relevant to Metro contracting.

**Information collected in availability surveys.** BBC conducted telephone surveys with the owners or managers of the identified business establishments. Survey questions covered many topics about each organization including:

- Status as a private business (as opposed to a public agency or nonprofit organization);
- Status as a subsidiary or branch of another company;
- Primary lines of work;
- Interest in performing work for Metro;
- Interest in performing work as a prime contractor or as a subcontractor;
- Largest prime contract or subcontract bid on or performed in the previous five years (to account for *relative capacity*); and
- Race/ethnicity and gender of ownership.

Information about businesses that completed surveys was entered into a database that served as a basis for the availability analysis.

**Considering businesses as potentially available.** BBC considered all businesses—regardless of the race/ethnicity or gender of the businesses' owners—to be potentially available for FTA-assisted contracts Metro anticipates awarding in FFY 2022 through FFY 2024 if they reported possessing *all* of the following characteristics:

- a. Being a private business (as opposed to a nonprofit organization);
- b. Having performed work relevant to Metro FTA-funded contracting;
- c. Having bid on or performed public or private sector prime contracts or subcontracts in the past five years;

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<sup>2</sup> The disparity study analyses indicated that Metro's relevant geographic market area is Los Angeles County.

<sup>3</sup> BBC offered business representatives the option of completing surveys via fax or e-mail if they preferred not to complete surveys via telephone.

- d. Being interested in work for Metro;<sup>4</sup> and
- e. Having the ability to work in the relevant geographic market area.

BBC also considered the largest contract that each business bid on or performed in the past (to assess *relative capacity*) to determine if the business is potentially available for specific contracts that Metro anticipates awarding in FFY 2022 through FFY 2024.

**Steps to calculating availability.** As part of the availability analysis, BBC collected and analyzed relevant information to develop dollar-weighted availability estimates to help Metro set its overall DBE goal. BBC used the availability database from the 2017 Disparity Study to determine availability on the FTA-assisted contracts and subcontracts that Metro anticipates awarding in FFY 2022 through FFY 2024. Dollar-weighted availability estimates represent the percentage of contracting dollars that potential DBEs would be expected to receive based on their availability for specific types and sizes of FTA-assisted contracts that Metro anticipates awarding in FFY 2022 through FFY 2024. Only a subset of businesses in the availability database was considered potentially available for any particular contract opportunity based on the type, size, and work type of the opportunity. BBC identified those specific characteristics of each FTA-assisted contract opportunity that Metro anticipates awarding in FFY 2022 through FFY 2024 and then, for the purposes of helping Metro establish a base figure, took the following steps to calculate the availability of potential DBEs for each contract opportunity:

1. BBC identified businesses in the availability database that reported that they:
  - Are qualified and interested in performing related work in that particular role for that specific type of work for Metro;
  - Are able to serve customers in the relevant geographic market area; and
  - Have bid on or performed work of that size.
2. BBC then counted the number of potential DBEs (by race/ethnicity and gender) relative to all businesses in the availability database that met the criteria specified in Step 1.
3. BBC translated the numeric availability of potential DBEs for the contract opportunity into percentage availability.

BBC repeated those steps for each FTA-assisted contract opportunity that Metro anticipates awarding in FFY 2022 through FFY 2024. BBC multiplied percentage availability for each contract opportunity by the dollars associated with the contract opportunity, added results across all contract opportunities, and divided by the total dollars for all contract opportunities. The result was a dollar-weighted estimate of the overall availability of potential DBEs as well as an availability estimate for each relevant racial/ethnic and gender group. Figure 2 presents detailed information about the base figure for Metro’s overall DBE goal:

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<sup>4</sup> That information was gathered separately for prime contract and subcontract work.

- Column (a) presents the groups of potential DBEs that BBC considered as part of the base figure analysis;
- Column (b) presents the availability percentage for each group for anticipated FTA-funded *construction* contract opportunities;
- Column (c) presents the availability percentage for each group for anticipated FTA-funded *professional services* contract opportunities;
- Column (d) presents the availability percentage for each group for anticipated FTA-funded *goods and services* contract opportunities; and
- Column (e) presents the availability percentage for each group for *all* anticipated FTA-funded contract opportunities considered together (i.e., construction; professional services; and goods and services contracts).

As presented at the bottom of column (e), the availability analysis shows that potential DBEs could be considered available for 22.6 percent of the FTA-funded contracts that Metro anticipates awarding in FFY 2022 through FFY 2024. Thus, Metro considers **22.6 percent as its base figure**. As presented in the last row of Figure 1, the overall base figure reflects a weight of 0.49 for construction contracts; 0.13 for professional services contracts; and 0.38 for goods and services contracts, based on the volume of FTA-funded contracts that Metro anticipates awarding in FFY 2022 through FFY 2024.

**Figure 1.**  
**Availability components of the base figure**  
**(based on availability of potential DBEs for anticipated FTA-funded contracts)**

Potential DBEs	Availability Percentage			Weighted average
	Construction	Professional Services	Goods and services	
Black American owned	4.4 %	3.8 %	4.8 %	4.4 %
Asian Pacific American owned	0.7	1.7	1.8	1.2
Subcontinent Asian American owned	0.1	0.4	0.5	0.3
Hispanic American owned	12.6	2.1	13.4	11.5
Native American owned	0.0	0.0	1.5	0.6
White woman owned	0.4	6.8	9.3	4.6
<b>Total potential DBEs</b>	<b>18.1 %</b>	<b>14.8 %</b>	<b>31.2 %</b>	<b>22.6 %</b>
<b>Industry weight</b>	<b>49 %</b>	<b>13 %</b>	<b>38 %</b>	

Note: Numbers rounded to nearest tenth of 1 percent. Numbers may not add to totals due to rounding.

Source: BBC Research & Consulting availability analysis and Metro data.

## Step 2. Determining if an Adjustment is Needed – 49 CFR Section 26.45(d)

After establishing the base figure, Metro considered relevant information to determine whether any adjustment was needed to the base figure as part of determining the overall DBE goal and to make it as precise as possible. In considering an adjustment to the base figure, Metro evaluated information about:

- Current capacity of DBEs to perform work on USDOT-assisted contracting;
- Information related to employment, self-employment, education, training, and unions;
- Any disparities in the ability of DBEs to get financing, bonding, and insurance; and
- Other relevant data.

**Current capacity of DBEs to perform work on USDOT-assisted contracting.** USDOT's Tips for Goal-Setting suggests that agencies should examine data on past DBE participation in their USDOT-funded contracts in recent years. USDOT further suggests that agencies should choose the median level of annual DBE participation for those years as the measure of past participation. According to Metro's Uniform Reports of DBE Awards or Commitments and Payments (Uniform Reports), median DBE participation in the agency's FTA-assisted contracts from FFY 2016 through FFY 2020 was 23.5 percent, which is similar to Metro's base figure. Figure 2 presents past DBE participation based on Metro's Uniform Reports.

**Figure 2.**  
**Past DBE participation in FTA-**  
**funded contracts, FFY 2016-2020**

Source:  
Metro's Uniform Reports.

FFY	DBE Attainment	Annual DBE Goal	Difference From Goal
2016	13.8%	26%	-12.2%
2017	9.5%	26%	-16.5%
2018	23.5%	26%	-2.5%
2019	24.6%	27%	-2.4%
2020	24.5%	27%	-2.5%

The information about past DBE participation supports a slight upward adjustment to Metro's base figure. If Metro were to use the approach outlined by USDOT, the overall goal would be the average of the 22.6 percent base figure and the 23.5 percent median past DBE participation, yielding a potential overall DBE goal of 22.8 percent.

**Any disparities in the ability of DBEs to get financing, bonding, and insurance.** BBC's analysis of access to financing, bonding, and insurance revealed quantitative and qualitative evidence that minorities; women; and minority- and woman-owned businesses in Los Angeles County do not have the same access to those business inputs as non-Hispanic white men and businesses owned by non-Hispanic white men (for details, see Chapter 3 and Appendices C and D of the disparity study report). Any barriers to obtaining financing, bonding, and insurance might limit opportunities for minorities and women to successfully form and operate businesses in the Los Angeles County contracting marketplace and place minority- and woman-owned businesses at a disadvantage in competing for Metro's FTA-funded contracts. Thus, information from the disparity study about financing, bonding, and insurance supports an upward adjustment to Metro's base figure.

**Information related to employment, self-employment, education, training, and unions.** BBC used regression analyses to determine whether the race/ethnicity or gender of workers is related to self-employment, that is, the likelihood of them owning businesses in the local marketplace. The regression analyses allowed BBC to examine those effects while statistically controlling for various personal characteristics of workers, including education and

age (for details, see Chapter 3 and Appendix C of the disparity study report). The regression analyses revealed that, even after accounting for various personal characteristics:

- Black Americans, Hispanic Americans, and women are significantly less likely than non-Hispanic whites and men to own construction businesses;
- Black Americans and women are significantly less likely than non-Hispanic whites and men to own professional services businesses; and
- Black Americans, Asian Pacific Americans, Subcontinent Asian Americans, and Hispanic Americans are significantly less likely than non-Hispanic whites to own goods and services businesses.

BBC then analyzed the specific impact that barriers to business ownership have on the base figure. That is, BBC estimated the availability of potential DBEs if minorities and women owned businesses at the same rate as non-Hispanic white men who shared similar personal characteristics. BBC took the following steps to complete the analysis:

1. BBC made adjustments to availability percentages for construction; professional services; and goods and services contracts based on observed disparities in business ownership rates for minorities and women. BBC only made adjustments for those groups that exhibited statistically significant disparities in business ownership rates compared to non-Hispanic whites and men.
2. BBC then combined adjusted availability percentages for construction contracts; professional services contracts; and goods and services contracts in a dollar-weighted fashion.

Figure 3 presents the results of the analysis, which is referred to as a *but for* analysis, because it estimates the availability of potential DBEs but for the continuing effects of past race- and gender-based discrimination. The rows and columns of Figure 3 present the following information from the *but for* analysis:



**Figure 3.**  
**Adjustment to base figure to account for disparities in business ownership rates**

Industry and group	a. Current availability	b. Disparity index for business ownership	c. Availability after initial adjustment*	d. Availability after scaling to 100%	e. Components of base figure**
<b>Construction</b>					
(1) Black American	4.4 %	70	6.2 %	6.0 %	
(2) Asian Pacific American	0.7	n/a	0.7	0.6	
(3) Subcontinent Asian American	0.1	n/a	0.1	0.1	
(4) Hispanic American	12.6	88	14.4	13.8	
(5) Native American	0.0	n/a	0.0	0.0	
(6) White woman	0.4	44	0.9	0.9	
(7) Potential DBEs	18.1 %	n/a	22.2 %	21.4 %	10.4 %
(8) All other businesses ***	81.9	n/a	81.9	78.6	
(9) <b>Total</b>	<b>100.0 %</b>	n/a	<b>104.1 %</b>	<b>100.0 %</b>	
<b>Professional services</b>					
(10) Black American	3.8 %	57	6.6 %	6.4 %	
(11) Asian Pacific American	1.7	n/a	1.7	1.7	
(12) Subcontinent Asian American	0.4	n/a	0.4	0.4	
(13) Hispanic American	2.1	n/a	2.1	2.0	
(14) Native American	0.0	n/a	0.0	0.0	
(15) White woman	6.8	87	7.8	7.5	
(16) Potential DBEs	14.8 %	n/a	18.7 %	18.0 %	2.4 %
(17) All other businesses	85.2	n/a	85.2	82.0	
(18) <b>Total</b>	<b>100.0 %</b>	n/a	<b>103.9 %</b>	<b>100.0 %</b>	
<b>Goods and services</b>					
(19) Black American	4.8 %	35	13.6 %	11.9 %	
(20) Asian Pacific American	1.8	88	2.0	1.8	
(21) Subcontinent Asian American	0.5	53	1.0	0.9	
(22) Hispanic American	13.4	73	18.3	16.0	
(23) Native American	1.5	n/a	1.5	1.3	
(24) White woman	9.3	n/a	9.3	8.1	
(25) Potential DBEs	31.2 %	n/a	45.6 %	39.9 %	15.0 %
(26) All other businesses	68.8	n/a	68.8	60.1	
(27) <b>Total</b>	<b>100.0 %</b>	n/a	<b>114.5 %</b>	<b>100.0 %</b>	
(28) <b>TOTAL</b>	<b>22.6 %</b>	n/a		n/a	<b>27.9 %</b>

Note: Numbers rounded to nearest tenth of 1%. Numbers may not add to totals due to rounding.

\* Initial adjustment is calculated as current availability divided by the disparity index.

\*\* Components of potential step-2 adjustment were calculated as the value after adjustment and scaling to 100 percent, multiplied by the percentage of total FTA-funded contract dollars in each industry (construction = 0.49, professional services = 0.13, and goods and services = 0.38).

\*\*\* All other businesses included majority-owned businesses and minority- and woman-owned businesses that were not potential DBEs.

Source: BBC Research & Consulting and Metro data.

- a. **Current availability.** Column (a) presents the current availability of potential DBEs by group and by industry. Each row presents the availability for each group. Before any adjustment, the availability of potential DBEs for the FTA-assisted contracts that Metro anticipates awarding in FFY 2022 through FFY 2024 is 22.6 percent, as shown in row (28) of column (a).
- b. **Disparity indices for self-employment.** For each group that is significantly less likely than non-Hispanic white men to own construction; professional services; or goods and services businesses, BBC estimated business ownership rates if those groups owned businesses at the same rate as non-Hispanic white men who share the same personal characteristics. BBC then calculated a business ownership disparity index for each group by dividing the observed business ownership rate by the simulated business ownership rate and then multiplying the result by 100. Values of less than 100 indicate that, in reality, the group is less likely to own businesses than what would be expected for non-Hispanic white men who share similar personal characteristics. Column (b) presents disparity indices related to self-employment for the different racial/ethnic and gender groups. For example, as shown in row (1) of column (b), Black Americans own construction businesses at 70 percent of the rate that one might expect based on the estimated business ownership rates of non-Hispanic white men who share similar personal characteristics.
- c. **Availability after initial adjustment.** Column (c) presents availability estimates by group and by industry after initially adjusting for statistically significant disparities in business ownership rates. BBC calculated those estimates by dividing the current availability in column (a) by the disparity index for business ownership in column (b) and then multiplying by 100. Note that BBC only made adjustments for those groups that are significantly less likely than similarly-situated non-Hispanic white men to own businesses.
- d. **Availability after scaling to 100 percent.** Column (d) shows adjusted availability estimates that BBC rescaled so that the sum of the availability estimates equaled 100 percent for each industry. BBC rescaled the adjusted availability estimates by taking each group's adjusted availability estimate in column (c) and dividing it by the sum of availability estimates shown under "Total businesses" in column (c)—in row (9) for construction, in row (18) for professional services, and in row (27) for goods and services—and multiplying by 100. For example, the rescaled adjusted availability estimate for Black American-owned construction businesses shown in row (1) of column (d) was calculated in the following way:  $(6.2 \% \div 104.1\%) \times 100 = 6.0\%$ .
- e. **Components of goal.** Column (e) shows the component of the total base figure attributed to the adjusted minority- and woman-owned availability for each industry. BBC calculated each component by taking the total availability estimate shown under "Potential DBEs" in column (d)—in row (7) for construction, in row (16) for professional services, and in row (25) for goods and services—and multiplying it by the proportion of total anticipated FTA-funded contract dollars for which each industry accounts (i.e., 0.49 for construction, 0.13 for professional services, and 0.38 for goods and services). For example, BBC used the 21.4 percent shown in row (7) of column (d) for construction and multiplied it by 0.49 for a result of 10.4 percent (see row (7) of column (e)). The values in column (e) were then

summed to equal the base figure adjusted for barriers in business ownership—27.9 percent—as shown in the bottom row of column (e).

**Other relevant data.** The Federal DBE Program suggests that federal funding recipients also examine “other factors” when determining whether to make any adjustments to their base figures.<sup>5</sup>

**Success of businesses.** There is quantitative evidence that certain groups of minority- and woman-owned businesses are less successful than businesses owned by non-Hispanic white men and face greater barriers in the marketplace, even after accounting for race- and gender-neutral factors (for details, see Chapter 3 and Appendix C of the disparity study report). There is also qualitative evidence of barriers to the success of minority- and woman-owned businesses. Some of that information suggests that discrimination on the basis of race/ethnicity and gender adversely affects minority- and woman-owned businesses in the local contracting industry (for details, see Appendix D of the disparity study report). Thus, information about the success of businesses also supports an upward adjustment to Metro’s base figure.

**Evidence from disparity studies conducted within the jurisdiction.** USDOT suggests that federal fund recipients also examine evidence from disparity studies conducted within their jurisdictions when determining whether to make adjustments to their base figures. There have been several other disparity studies conducted for state agencies in California in recent years (e.g., San Francisco Bay Area Rapid Transit District (BART), the California Department of Transportation, San Francisco Municipal Transportation Agency, and the San Diego Association of Governments). However, those agencies’ contracts differ substantially in terms of size and type from the FTA-funded contracts that Metro awarded during the study period. In the case of BART, the methodology that was used is substantially more limited than the methodology that BBC used to conduct the 2017 LA Metro Disparity Study. Therefore, the results from other disparity studies are of limited use to Metro in determining whether to make an adjustment to its base figure.

**Adjustment.** Metro considered all of the above information in considering whether to make an adjustment to the base figure and has decided to make upward adjustment to its base figure that specifically accounts for barriers that minorities and women face related to business ownership in the local marketplace. Metro has decided to base its adjustment specifically on that factor, because it has clear, direct, and quantifiable effect on the availability of minority- and woman-owned businesses for Metro work, and making an upward adjustment reflects Metro’s commitment to remedying the continuing effects of past race- and gender-based discrimination in the marketplace. Thus, Metro has decided to use potential DBE availability that has been adjusted for disparities in business ownership rate as describe above. Doing so yields an **overall DBE goal of 28 percent**, after rounding, for FFY 2022 through FFY 2024.

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<sup>5</sup> 49 CFR Section 26.45.

## **Race-/Gender-Neutral and Race/Gender-Conscious Split – 49 CFR Section 26.51 (c)**

In accordance with federal regulations and USDOT guidance, Metro will attempt to meet the maximum feasible portion of its proposed 28 percent overall DBE goal through the use of race- and gender-neutral measures. Metro used a broad range of race- and gender-neutral measures to encourage the participation of all small businesses—including DBEs—in its FTA-funded contracts in FFY 2016 through FFY 2020 and plans on continuing the use of those measures in the future. Metro’s race- and gender-neutral efforts can be classified into four categories:

- Advocacy and outreach efforts;
- Technical assistance programs;
- Capital, bonding, and insurance assistance;
- Prompt payment policies; and
- Small business preference/set-aside.

**Advocacy and outreach efforts.** Metro participates in various advocacy and outreach efforts including hosting DBE workshops and using communications that are targeted specifically to disadvantaged businesses.

**Communications.** Metro communicates with DBEs through email, its Vendor Portal, and its DBE newsletter. Metro uses its Vendor Portal and its newsletter to announce contracting opportunities, special events, policy changes, and new DBE program measures.

**Networking events and workshops.** Metro hosts various events and workshops for DBEs. Some of those events include Meet the Prime, Meet the Project Managers and Buyers, Salute to Small Business Celebration, and other signature outreach events.

**Technical assistance programs.** Metro provides an online business toolkit which includes web tutorials for DBEs that cover topics such as how to register as a vendor, the process of bidding on Metro contracts, contract compliance reporting, and certification processes.

**Capital, bonding, and insurance.** Metro established a Commercial Insurance Broker Panel which assists businesses lacking the required insurance coverages. The panel is available to businesses and contractors through the Transportation Business Advisory Council (TBAC), small business outreach events, and Metro’s small business orientation classes.

**Prompt payment policies.** Metro has policies in place to help ensure prompt payment to subcontractors. Prime contractors are required to pay their subcontractors within 7 days after receipt of payment from Metro.

**Small business enterprise (SBE) program.** In 1997, Metro started their SBE program to comply with California’s Proposition 209, which prohibits explicit consideration of race or gender in the award of state- and locally-funded contracts.

**Small business set-aside program.** Metro’s small business set-aside program started in 2014 and enables small businesses to compete only against other small businesses for prime contracts up to \$5 million, as well as for informal projects under \$100,000. Only Metro-certified SBEs can participate in the program.

Metro considered the race- and gender-neutral program measures that it currently implements and its DBE participation as the result of those measures during FFY 2018 through FFY 2020. Based on Metro’s Uniform Reports, median DBE participation as the result of race- and gender-neutral efforts for FFY 2018 through FFY 2020 was 3.6 percent. Based on that information, Metro projects that it will be able to meet **3.6 percent** of its proposed DBE goal for FFY 2022 through FFY 2024 through the use of race- and gender-neutral measures. Metro projects that it will meet the remainder of its proposed 28 percent overall DBE goal—**24.4 percent**—through the use of race- and gender-conscious measures (i.e., DBE contract goals).

**Necessity of race-conscious measures.** Metro used race- and gender-conscious DBE subcontracting goals on many contracts during study period that BBC examined as part of the 2017 LA Metro Disparity Study to encourage the participation of disadvantaged business enterprises. The disparity study compared disparity analysis results between contracts that Metro awarded with the use of DBE subcontracting goals (goals contracts) and contracts that Metro awarded without the use of DBE subcontracting goals (no-goals contracts). Examining participation in no-goals contracts provides useful information about outcomes for minority- and woman-owned businesses on contracts that Metro awarded in a race-neutral and gender-neutral environment and whether there is evidence that certain groups face any discrimination or barriers as part of Metro’s contracting.<sup>6,7,8</sup>

Figure 4 presents 2017 disparity analysis results separately for goals contracts and no-goals contracts. As shown in Figure 4, overall, minority- and woman-owned businesses exhibited better outcomes on goals contracts than on no-goals contracts. Whereas minority- and woman-owned businesses showed a substantial disparity on no-goals contracts (disparity index of 53), they did not show a substantial disparity on goals contracts (disparity index of 96). Results for individual groups indicated that:

- Only Black American-owned business (disparity index of 64) showed substantial disparities on goals contracts.
- All groups except Subcontinent Asian American-owned businesses showed substantial disparities on no-goals contracts.

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<sup>6</sup> Associated General Contractors of America, San Diego Chapter, Inc. v. California Department of Transportation, et al., 713 F.3d 1187, 1192, 1196 (9th Cir. 2013).

<sup>7</sup> Concrete Works of Colorado, Inc. v. City and County of Denver, 321 F.3d 950, 985, 987-88 (10th Cir. 2003), cert. denied, 540 U.S. 1027, 124 S. Ct. 556 (2003).

<sup>8</sup> H. B. Rowe Co., Inc. v. W. Lyndo Tippet, NCDOT, et al., 615 F.3d 233,246 (4th Cir. 2010).

**Figure 4.**  
**Disparity indices for goals**  
**and no-goals contracts**

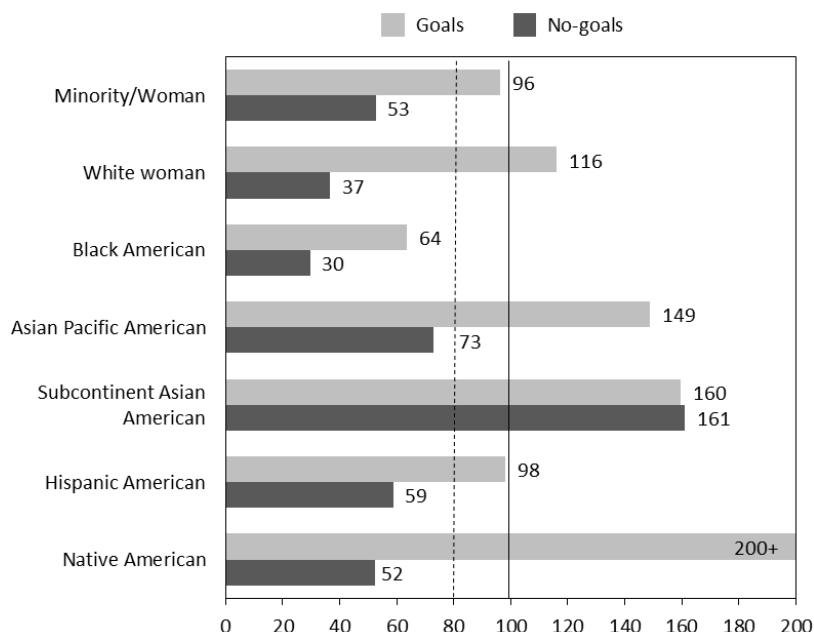
Note:

The study team analyzed 5,293 contract elements to which subcontracting goals applied. The study team analyzed 6,896 contract elements to which no subcontracting goals applied.

For more detail, see Figures F-14 and F-15 in Appendix F of the 2017 LA Metro Disparity Study.

Source:

2017 LA Metro Disparity Study.



The results presented in Figure 4 indicate that Metro’s use of DBE goals is effective in encouraging the participation of minority- and woman-owned businesses in its contracts. Moreover, those results indicate that when Metro does not use race-conscious and gender-conscious measures, most relevant business groups suffer from substantial underutilization in Metro contracting.

## Waiver Request

Several seminal court cases have indicated that in order to implement the Federal DBE Program in a narrowly tailored manner, agencies should limit the use of race- and gender-conscious program measures to those groups “that have actually suffered discrimination” within their transportation contracting industries.<sup>9,10</sup> Moreover, USDOT official guidance states that “even when discrimination is present in a state, a program is narrowly tailored only if its application is limited to those specific groups that have actually suffered discrimination or its effects.”<sup>11</sup> As provided in 49 CFR Part 26, such guidance is “valid, and express[es] the official positions and views of the Department of Transportation ... .”<sup>12</sup>

Results from the 2017 Disparity Study indicated that most relevant business groups exhibited *substantial disparities*—that is, disparities whereby participation was less than 80 percent of availability—on key contract sets that the study team examined. However, Subcontract Asian

<sup>9</sup> *AGC, San Diego Chapter v. California DOT*, 713 F.3d 1187, 1191, 1199, 2013 WL 1607239 (9th Cir. April 16, 2013)

<sup>10</sup> *Western States Paving Co. v. Washington State DOT*, 407 F.3d 983, 997-98 (9th Cir. 2005), *cert. denied*, 546 U.S. 1170 (2006)

<sup>11</sup> United States Department of Transportation Official Questions and Answers (Q&A’s) Disadvantaged Business Enterprise Program Regulation (49 CFR 26), <http://www.dot.gov/osdbu/disadvantaged-business-enterprise/official-questions-and-answers-26>

<sup>12</sup> 49 CFR Section 26.9

American-owned businesses did not exhibit substantial disparities on key contract sets, including on no-goals contracts as presented above.

Metro submitted a waiver request to FTA in July 2018 for the Department of Transportation Office of the Secretary review and approval to allow Metro to limit its use of race- and gender-conscious measures (i.e., DBE contract goals) to those DBE groups for which compelling statistical evidence of discrimination—that is, substantial disparities between participation and availability on Metro’s transportation-related contracts—exists in the relevant geographic market area. Based on results from the 2017 Disparity Study, Metro requested to limit its use of DBE contract goals to the following business groups: Black American-owned DBEs, Hispanic American-owned DBEs, Native American-owned DBEs, Asian Pacific American-owned DBEs, and woman-owned DBEs. Metro would not consider Subcontinent Asian American-owned DBEs as eligible to count towards DBE contract goals at this time.

Should Metro receive approval for its waiver request, the agency will closely monitor the participation of Subcontinent Asian American-owned businesses in its transportation-related contracts. If the participation of Subcontinent Asian American-owned businesses decreases substantially, Metro will act immediately to withdraw the waiver. Metro intends to request a waiver that will allow the agency to limit its use of race- and gender-conscious measures (i.e., DBE contract goals) to those DBE groups for which compelling statistical evidence of discrimination—that is, substantial disparities between participation and availability on Metro’s transportation-related contracts—exists in the relevant geographic market area. Based on results from the 2017 Metro Disparity Study, Metro will request to limit its use of DBE contract goals to the following business groups: Black American-owned DBEs, Hispanic American-owned DBEs, Native American-owned DBEs, Asian Pacific American-owned DBEs, and woman-owned DBEs. Metro would not consider Subcontinent Asian American-owned DBEs as eligible for DBE contract goals at this time.

Metro will notify the contracting community of any change to the implementation of contract-specific goals. Metro will closely monitor the participation of Subcontinent Asian American-owned businesses in its transportation-related contracts. If the participation of Subcontinent Asian American-owned businesses decreases substantially during the goal period, Metro will act immediately to withdraw the waiver.

### **Public Participation – 49 CFR Section 26.45(g)**

Public participation is a key component of Metro’s process for setting its overall DBE goal. Metro made information about the proposed goal available to the public through their website posted on May 13, 2021 beginning a 30-day comment period from May 13, 2021 through June 13, 2021. Metro held three virtual public hearings on May 25<sup>th</sup>, 27<sup>th</sup> and on June 3<sup>rd</sup>, 2021. Additionally, Metro presented the goal and goal methodology report at June 3<sup>rd</sup> TBAC monthly meeting. Comments were also available for submission in writing by email at [LAMetroGandM@bbcresearch.com](mailto:LAMetroGandM@bbcresearch.com) or [Goalcomment@metro.net](mailto:Goalcomment@metro.net).



ITEM \_\_\_\_\_

# FFY 2022-2024 OVERALL DBE GOAL AND GOAL METHODOLOGY

*Executive Management Committee*

*June 17, 2021*



**Metro**



## WHO MUST HAVE A DBE PROGRAM?

As a USDOT fund recipient, Metro is required to implement the DBE program. Every three years, Metro must set their overall goal for DBE participation.

Metro's proposed overall goal triennial period

- Federal Fiscal Year 2022 – 2024
- October 1, 2021 – September 30, 2024

# SETTING OVERALL DBE GOAL

## BASE FIGURE

- Information from Disparity Study
- Availability analysis
- Potential DBEs

## STEP 2 ADJUSTMENT

- Current DBE capacity
- Marketplace barriers
- Other relevant factors



**Metro**

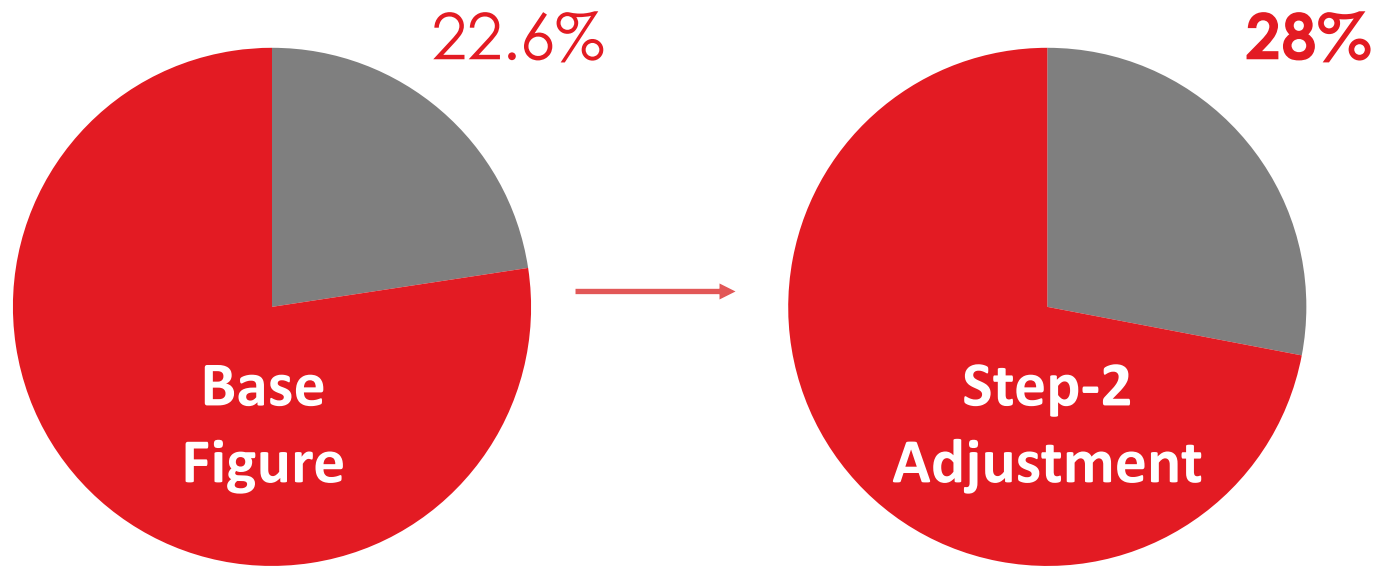
# CALCULATING THE BASE FIGURE

Base figure is calculated using a dollar-weighted calculation by industry based on contracts expected for Metro during the next three Federal Fiscal Years

Potential DBEs	Availability Percentage			Weighted average
	Construction	Professional Services	Goods and services	
Black American owned	4.4 %	3.8 %	4.8 %	4.4 %
Asian Pacific American owned	0.7	1.7	1.8	1.2
Subcontinent Asian American owned	0.1	0.4	0.5	0.3
Hispanic American owned	12.6	2.1	13.4	11.5
Native American owned	0.0	0.0	1.5	0.6
White woman owned	0.4	6.8	9.3	4.6
<b>Total potential DBEs</b>	<b>18.1 %</b>	<b>14.8 %</b>	<b>31.2 %</b>	<b>22.6 %</b>
<b>Industry weight</b>	<b>49 %</b>	<b>13 %</b>	<b>38 %</b>	

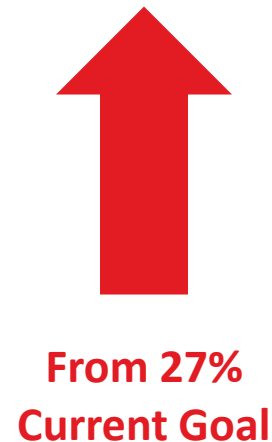
## CALCULATING THE GOAL

Projected availability if minorities and women owned businesses at same rate as similarly situated white men—supports upward adjustment to base figure



## CALCULATING THE GOAL

Given marketplace barriers, Metro determined that it was appropriate to adjust the base figure upward.



## RACE-/GENDER-CONSCIOUS MEASURES

### Substantial disparities\*

- African American-owned businesses
- Asian-Pacific American-owned businesses
- Hispanic American-owned businesses
- Native American-owned businesses
- White women-owned businesses

### No substantial disparities\*

- Subcontinent Asian American-owned businesses\*\*



**Metro**

\*Based on disparity analysis

\*\*Subcontinent Asian Americans are persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka



## WAIVER FOR SUBCONTINENT ASIAN AMERICAN-OWNED BUSINESSES

Ineligible for race-/gender-conscious measures  
(contract goals)

But:

- Included until waiver approval\*
- Still included in DBE Program
- Utilization still counts toward overall DBE goal
- Still eligible for neutral program measures
- Minority women-owned businesses still eligible
- Metro will monitor utilization of all DBE groups



**Metro**

\*Waiver must be approved by office of USDOT Secretary



## NEXT STEPS

- Board approval
- Submit proposed goal and waiver to FTA
- Overall DBE goal effective October 1, 2021





Thank you



Metro®



## Board Report

File #: 2020-0768, File Type: Contract

Agenda Number: 35.

### CONSTRUCTION COMMITTEE JUNE 17, 2021

**SUBJECT: ENVIRONMENTAL ENGINEERING SERVICES**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer (CEO) to award and execute a five (5) year contract, Contract No. EN66937, with Kleinfelder, Inc. for Environmental Engineering and Consulting services on Task Orders for a total amount not-to-exceed \$48,000,000 inclusive of three base years with an initial amount not-to-exceed \$37,000,000; with two one-year options; and
- B. AUTHORIZING Contract Modification Authority (CMA) in the amount of \$4,800,000 (10% of the not-to-exceed contract amount) and authorizing the CEO to award and execute individual task order changes and/or modifications within the CMA amount.

#### **ISSUE**

All major Capital and Capital Improvement Projects, along with many ongoing facilities maintenance and restoration activities undertaken by LA Metro requires environmental engineering and consulting services. Our agency must remain in compliance with all applicable environmental laws and regulations to avoid potential fines, and civil and criminal liability. This contract has been a critical component for technical and environmental engineering support for many of our capital and operating projects. This contract provides technical expert environmental assistance to ensure timely environmental compliance and execution of needed environmental design, data generation and analysis, and environmental measurement and monitoring necessary and as required by Federal and State statutes and regulations, and local ordinances.

Approximately \$33M of the total requested contract value is for the historical core duties performed under previous contracts that include: environmental and geotechnical assessments, Phase I/II environmental site assessments, construction and industrial stormwater monitoring, noise and vibration monitoring, air quality monitoring, soil and groundwater sampling, industrial wastewater sampling, fuel storage tank system design, permitting assistance, and other regulatory reporting requirements.

Approximately \$18M of this requested contract value is to support anticipated geotechnical investigations for the Sepulveda Transit Corridor Project.

## **DISCUSSION**

Contract No. EN66937 scope includes environmental and geotechnical assessments, Phase I/II environmental site assessments, lead-based paint and asbestos surveys, construction and industrial stormwater monitoring, air quality monitoring, soil and groundwater sampling, industrial wastewater sampling, GASB 49 Environmental Liability Reporting, fuel storage tank system design, permitting assistance, and other regulatory reporting requirements.

Kleinfelder, Inc. is the incumbent for the contract that Contract No. EN66937 is replacing. The total contract value of the current Contract PS-8420-3274 is \$25M of which, ~\$24M has been encumbered. Under the current contract PS-8420-3274, Kleinfelder made a 15% DBE commitment. Based on payments reported, the contract is 85% complete and the current level of DBE participation is 26.69%. Kleinfelder is exceeding its DBE commitment by 11.69%.

The new contract, Contract No. EN66937, is an Indefinite Delivery/Indefinite Quantity (IDIQ) contract and the total contract price is the aggregate total of all Task Orders and changes to be issued within the Board authorized contract amount. This contract allows for staff to readily acquire the specialized technical expertise when needed, for the duration needed. The consultant is not guaranteed any work.

When the need for environmental engineering and consulting services arises, only then will staff be able to issue Contract Work Orders from which Task Orders or changes are drawn. These Task Orders and changes will be funded from an existing project's budget with consideration of any information available at the time of planning and applicable time constraints on performance of the work.

All of the Task Orders will be fully negotiated based on agreed upon rates that will be negotiated at the onset of the project. Staff applies strict project controls in the execution of each of these Task Orders to closely monitor the Consultant's budget and Task Order schedules. No funds are obligated until a Contract Work Order/Task Order is awarded against a valid project.

The RFP established a 25% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goals. SBE/DVBE attainment is based on the aggregate value of all task orders issued. See Attachment C for Kleinfelder's actual commitment and the subcontractors listed.

To accomplish the assigned tasks, the consultant will provide necessary staff, sub-consultants, equipment, software, supplies, and services. The consultant shall employ or subcontract as necessary with diverse environmental professionals such as professional engineers; registered geologists, qualified stormwater developers (QSD), Certified Industrial Hygienists (CIH), and Certified Asbestos Consultants (CAC).

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## **DETERMINATION OF SAFETY IMPACT**

This Board action will not have an adverse impact on safety standards for Metro. It will however increase safety as sustainability related projects and programs are implemented to increase the health and safety of our staff and enhance customer experience of our system.

## **FINANCIAL IMPACT**

Contract No. EN66937 is an IDIQ contract. All task orders are individually negotiated, and level of effort fully defined prior to obligating the funds. The task orders will be funded by appropriate project budget, authorized through the annual budget adoption. Since this is a multiyear contract, Chief Program Management Officer, Chief Sustainability Officer, and respective Project Managers are responsible for providing appropriate budgets and following task order award process protocols during the execution of each task order. Execution of work under those Task Orders within those Contract Work Order (CWO) awards can continue beyond the contract end date.

### **Impact to Budget**

The funding source will be aligned to the project acquiring this service. Bus and rail eligible funds will be limited to the task orders pertaining to bus and rail operations.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This consultant contract supports Strategic Goal 2 by optimizing the delivery and performance of Metro's transportation system by incorporating environmental compliance through environmental services activities to reduce impacts to the environment and increase system efficiency.

## **ALTERNATIVES CONSIDERED**

If Contract No. EN66937 is not awarded, staff's ability to provide technical and environmental engineering support for many of our capital and operating projects will be limited. As a consequence; Metro would not be able to immediately address potential and existing environmental liabilities. Furthermore, it would inhibit Metro's ability to remain in compliance with all applicable environmental laws and regulations to avoid potential fines, and civil and criminal liability.

As another alternative, Metro could perform all the environmental engineering and mitigation services in-house. However, to do so, Metro would need to hire additional staff with expertise in many different subjects, such as engineers, geologists, surveyors, asbestos/lead inspectors, laboratory scientists, UST design engineers, and purchasing environmental sampling and monitoring equipment. Staff does not recommend this alternative owing to high acquisition costs to procure personnel and equipment as well as potential for implementation and training delays.

Staff may solicit and award individual contracts for each environmental task on an as-needed basis. Staff does not recommend this alternative. Individually procuring these CWO's and Task Orders have associated inconsistencies, and likely greater cumulative administrative and execution costs, and inefficiencies. The CWOs and Task Orders would also have to be competitively procured, causing

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significant delays. This scenario makes it challenging to provide timely responses to sensitive and emergency requirements from within the agency and from regulatory agencies.

### **NEXT STEPS**

Upon Board approval, staff will execute the conformed contract and proceed with issuing Task Orders and Contract Work Orders.

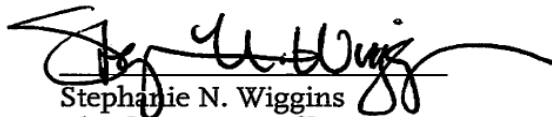
### **ATTACHMENTS**

- A. Procurement Summary
- B. Types and Total Value Estimates of Projects - FY21 to FY25
- C. DEOD Summary

Prepared by: Cris B. Liban, Chief Sustainability Officer, (213) 922-2471

Reviewed by: Bryan Pennington, Chief Program Management Officer (Interim), (213) 922-7449

Debra Avila, Chief Vendor/Contract Management Officer,  
(213) 418-3051

  
Stephanie N. Wiggins  
Chief Executive Officer

## PROCUREMENT SUMMARY

**ENVIRONMENTAL ENGINEERING SERVICES  
CONTRACT NO. EN66937**

1.	<b>Contract Number:</b> EN66937	
2.	<b>Recommended Vendor:</b> Kleinfelder, Inc.	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input checked="" type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued</b> March 9, 2020	
	<b>B. Advertised/Publicized:</b> March 24, 2020 (Periodicals of General Circulation)	
	<b>C. Pre-Proposal Conference:</b> March 27, 2020	
	<b>D. Proposals Due:</b> May 22, 2020	
	<b>E. Pre-Qualification Completed:</b> March 15, 2021	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> April 17, 2020	
	<b>G. Protest Period End Date:</b> Est. June 21, 2021	
5.	<b>Solicitations Picked up/Downloaded:</b> 54	<b>Proposals Received:</b> 5
6.	<b>Contract Administrator:</b> Daniel A Robb	<b>Telephone Number:</b> 213.922.7074
7.	<b>Project Manager:</b> Cris B. Liban	<b>Telephone Number:</b> 213.922-2471

**A. Procurement Background**

This Board Action is to approve the award of Contract No. EN66937, Environmental Engineering Services to Kleinfelder, Inc. (Kleinfelder) to provide environmental engineering services for a wide range of projects, in support of Metro's Environmental Compliance and Sustainability Department (ECSD). Efforts would include site assessment, remediation, engineering, and execution of engineered solutions to environmental issues identified at Metro sites. Board approval of contract awards are subject to resolution of any properly submitted protest.

The recommended consultant will furnish all of the labor, materials, and other related items required to perform the services on a Contract Work Order basis for a project, under which specific Task Orders will be issued for specific Scopes of Services and Period of Performance.

The Request for Proposals (RFP) was an Architectural and Engineering (A & E) services, qualifications-based procurement process performed in accordance with Los Angeles County Metropolitan Transportation Authority (Metro) Procurement Policies and Procedures and California Government Code § 4525 -4529.5. The contract type is a Cost Plus Fixed Fee (CPFF). The Contract is for a term of three (3) years plus 2 one-year options.

Two (2) Amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on May 1, 2020, amended the Letter of Invitation to extend the Proposal due date. Delete the RC\_DBE Program and replace with SBE/DVBE Program
- Amendment No 2, issued on May 18, 2020, Replace Exhibit 13 Certification of Prospective Contractor, Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion

Five (5) proposal were received on May 22, 2020 from the following firms:

1. Atlas Technical Consultants
2. CDM Smith, Inc.
3. Kleinfelder, Inc.
4. Wood Environment & Infrastructure Solutions, Inc.
5. WSP USA, Inc.

All five (5) of the Proposals were responsive to the requirements of the RFP Documents, including Amendment No. 1 and Amendment No. 2.

## **B. Evaluation of Proposals**

The Proposal Evaluation Team (PET) was comprised of representatives from the following departments: Environmental Compliance and Sustainability and Third Party Administration. The PET conducted a comprehensive evaluation of the proposal received.

The proposals were evaluated on the following evaluation criteria and associated weightings:

Experience and Capabilities of the Firms on the Team .....	(20%)
Skill and Capability of Individuals on the Team.....	(20%)
Effectiveness of Management Plan.....	(25%)
Project Understanding and Approach.....	(35%)

The evaluation criteria are appropriate and consistent with criteria developed for other, similar Professional Service procurements. Several factors were considered when developing the criteria weightings, giving the greatest importance to the Experience and Capabilities of the Firms and Key Personnel on the Consultant's Team, Effectiveness of Management Plan and Project Understanding and Approach.

This is a qualifications based procurement; therefore, price cannot be used as an evaluation factor pursuant to state and federal law.

### Qualifications Summary of Recommended Firm:

The evaluation performed by the PET determined Kleinfelder, Inc. as the qualified firm and team to provide Environmental Engineering Services, as provided in the RFP Scope of Services.

Kleinfelder, Inc. demonstrated an exceptional thorough and comprehensive understanding of the Scope of Services and Metro's needs under this contract, and demonstrated the ability to scale-up or scale-down based on Metro's needs. The proposer has the expertise to accomplish work on several concurrent task orders, which will be crucial as Metro continues to ramp-up construction efforts.

The key personnel on Kleinfelder's team exceed the requirements in the Scope of Services and possess highly applicable experience to meet Metro's needs. Kleinfelder can provide the qualified support staff and subconsultants with diverse and redundant applicable expertise in order to provide support for many concurrent task orders. Kleinfelder's team can allow them to respond to any need Metro may have under the contract.

The Proposal Evaluation Team (PET) evaluated the proposals, and assessed major strengths, weaknesses, and associated risks of the Proposer to determine the qualifications of the firm. The final scoring was based on evaluation of the written proposals received from the Proposers. The results of the scoring are shown below:

Firm	Evaluation Factor	Average Score	Factor Weight	Weighted Score	Rank
Kleinfelder, Inc	Experience and Capabilities of the Firms on the Team	93.35	20%	18.67	
	Skill and Capability of Individuals on the Team	89.30	20%	17.86	
	Effectiveness of Management Plan	93.24	25%	23.31	
	Project Understanding and approach	92.31	35%	32.31	



	<b>TOTAL</b>		<b>100%</b>	<b>92.15</b>	<b>1</b>
<b>Wood Environmental &amp; Infrastructure Solutions</b>	Experience and Capabilities of the Firms on the Team	90.10	20%	<b>18.02</b>	
	Skill and Capability of Individuals on the Team	90.55	20%	<b>18.11</b>	
	Effectiveness of Management Plan	89.40	25%	<b>22.35</b>	
	Project Understanding and approach	89.94	35%	<b>31.48</b>	
	<b>TOTAL</b>		<b>100.00%</b>	<b>89.96</b>	<b>2</b>
<b>WSP USA, Inc</b>	Experience and Capabilities of the Firms on the Team	89.55	20%	<b>17.91</b>	
	Skill and Capability of Individuals on the Team	89.85	20%	<b>17.97</b>	
	Effectiveness of Management Plan	89.92	25%	<b>22.48</b>	
	Project Understanding and approach	88.54	35%	<b>30.99</b>	
	<b>TOTAL</b>		<b>100.00%</b>	<b>89.35</b>	<b>3</b>

<b>CDM Smith</b>	Experience and Capabilities of the Firms on the Team	84.85	20%	<b>16.97</b>	
	Skill and Capability of Individuals on the Team	86.30	20%	<b>17.26</b>	
	Effectiveness of Management Plan	84.48	25%	<b>21.12</b>	
	Project Understanding and approach	89.09	35%	<b>31.18</b>	
	<b>TOTAL</b>		<b>100.00%</b>	<b>86.53</b>	<b>4</b>
<b>Atlas Technical Consultants</b>	Experience and Capabilities of the Firms on the Team	86.50	20%	<b>17.30</b>	
	Skill and Capability of Individuals on the Team	86.35	20%	<b>17.27</b>	
	Effectiveness of Management Plan	82.32	25%	<b>20.58</b>	
	Project Understanding and approach	87.46	35%	<b>30.61</b>	
	<b>TOTAL</b>		<b>100.00%</b>	<b>85.76</b>	<b>5</b>

Note: All Scores rounded to the second decimal.

### **C. Cost Analysis**

The recommended total estimated cost has been determined to be fair and reasonable based upon a cost analysis of labor rates, indirect rates and other direct costs completed in accordance with Metro's Procurement Policies and Procedures. Metro negotiated and established indirect cost rates and as appropriate provisional indirect (overhead) rates, plus a fixed fee factor to establish a fixed fee amount based on the total estimated cost for task orders, during the contract term to compensate the consultant.

Audits will be requested, where required, for those firms without a current applicable audit of their indirect cost rates, other factors, and exclusion of unallowable costs, in accordance with Federal Acquisition Regulation (FAR) Part 31. In order to prevent any unnecessary delay in contract award, provisional overhead rates have been established subject to Contract adjustments. In accordance with FTA Circular 4220.1.f, if an audit has been performed by any other cognizant agency within the last twelve-month period, Metro will receive and accept that audit report for the above purposes rather than perform another audit.

<b>Proposer: Kleinfelder, Inc...</b>			
<b>Contract Duration</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>NTE Funding Amount</b>
Base Period – 3 Years	N/A <sup>(1)</sup>	\$36,600,000. <sup>(2)</sup>	\$37,000,000. <sup>(2)</sup>
Option Year 1	N/A <sup>(1)</sup>	\$5,600,000. <sup>(3)</sup>	\$6,000,000. <sup>(3)</sup>
Option Year 2	N/A <sup>(1)</sup>	\$5,000,000. <sup>(4)</sup>	\$5,000,000. <sup>(4)</sup>

- (1) A proposal amount was not applicable. This is a Cost Plus Fixed Fee (CPFF) Task Order Contract with no definable level of effort for the Scope of Services. Hourly labor rates, overhead and fee were negotiated and determined to be fair and reasonable.
- (2) The amount \$36,600,000. is the Independent Cost Estimate (ICE) for 3-year base Period of the Contract.
- (3) The amount \$5,600,000. is the Independent Cost Estimate (ICE) for Option Year 1 Period of the Contract.
- (4) The amount \$5,000,000. is the Independent Cost Estimate (ICE) for Option Year 2 Period of the Contract.

The Environmental Engineering Services Independent Cost Estimate (ICE) was established based on the Scope of Services developed for the Contract. The probable costs are based on the anticipated level of effort estimated for each year that will be required to perform the Scope of Services by the Consultant and sub-consultants.

#### **D. Background on Recommended Consultant**

The recommended firm, Kleinfelder, Inc. (Kleinfelder), a California Corporation headquartered in San Diego, California, has been in business since 1961, and is a leader in the fields of Engineering, Architecture, and Science Consulting. Kleinfelder has nearly 2,000 employees across 74 offices across the United States, Canada, and Australia. They have been working in Los Angeles since 1984 with two Los Angeles County offices in downtown Los Angeles and in Long Beach.

Attachment B: Environmental Engineering Services Contracts

Future Projects	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Total Estimated Contract Value	Total Estimated Contract Value	Total Estimated Contract Value	Total Estimated Contract Value	Total Estimated Contract Value	Total Estimated Contract Value
Contractor Consultancy Only						
Programs						
Water Quality Compliance Services (Industrial Wastewater, Construction SWPPP, NDPEs)	\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00	\$1,250,000.00
Real Estate-Joint Development Support	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$500,000.00
Environmental Risk and Liability Tracking (GASB49)	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$125,000.00
Tank Systems Design & Operation Support	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$500,000.00
Environmental Regulatory Compliance Support	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$75,000.00
Permitting	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$75,000.00
Environmental Consulting & Emergency Response Services	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$750,000.00
Projects						\$0.00
Regional Connector	\$100,000.00	\$100,000.00	\$25,000.00	\$0.00	\$0.00	\$225,000.00
Crenshaw-LAX	\$250,000.00	\$250,000.00	\$0.00	\$0.00	\$0.00	\$500,000.00
Purple Line Extension-Section 1 / Location 64	\$1,500,000.00	\$1,500,000.00	\$1,000,000.00	\$1,000,000.00	\$0.00	\$5,000,000.00
Purple Line Extension-Section 2	\$1,500,000.00	\$1,500,000.00	\$1,000,000.00	\$1,000,000.00	\$400,000.00	\$5,400,000.00
Purple Line Extension-Section 3	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00	\$1,000,000.00	\$450,000.00	\$5,950,000.00
Active Transportation Rail to Rail Corridor	\$50,000.00	\$50,000.00	\$50,000.00	\$25,000.00	\$0.00	\$175,000.00
Division 20 - Portal Widening Turnback	\$750,000.00	\$750,000.00	\$750,000.00	\$500,000.00	\$500,000.00	\$3,250,000.00
Metro Orange Line Improvements	\$50,000.00	\$50,000.00	\$50,000.00	\$25,000.00	\$25,000.00	\$200,000.00
<b>Airport Metro Connector</b>	\$300,000.00	\$300,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$1,050,000.00
Metro Link Union Station	\$150,000.00	\$150,000.00	\$150,000.00	\$50,000.00	\$50,000.00	\$550,000.00
Metro Emergency Security Operations Center (ESOC)	\$150,000.00	\$150,000.00	\$150,000.00	\$100,000.00	\$100,000.00	\$650,000.00
East San Fernando Valley Transit Corridor	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$1,500,000.00
West Santa Ana Branch Transit Corridor	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$1,500,000.00
Metro Soundwall Program (Package 11)	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$125,000.00
Rosecrans / Marquardt Grade Separation	\$100,000.00	\$100,000.00	\$50,000.00	\$0.00	\$0.00	\$250,000.00
<b>LAUS Forecourt</b>	\$0.00	\$100,000.00	\$50,000.00	\$0.00	\$0.00	\$150,000.00
I-5 North Capacity Enhancements	\$100,000.00	\$100,000.00	\$50,000.00	\$0.00	\$0.00	\$250,000.00
Sepulveda Pass Geotechnical Investigation	\$7,000,000.00	\$5,000,000.00	\$3,000,000.00	\$1,500,000.00	\$1,500,000.00	\$18,000,000.00
<b>Overall ROM</b>	<b>\$14,780,000.00</b>	<b>\$12,880,000.00</b>	<b>\$9,255,000.00</b>	<b>\$6,630,000.00</b>	<b>\$4,455,000.00</b>	<b>\$48,000,000.00</b>

**Notes:**

Project costs assumed to include any escalation

## DEOD SUMMARY

**ENVIRONMENTAL ENGINEERING SERVICES  
CONTRACT NO. EN66937**

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established an overall 28% Small Business Enterprise/Disabled Veterans Business Enterprise (SBE/DVBE) goal, inclusive of a 25% SBE goal and 3% DVBE goal for this Task Order Contract. Kleinfelder Inc., exceeded the goal by making a 26% SBE and a 4% DVBE commitment.

In response to a specific Task Order request with a defined scope of work, Kleinfelder Inc. will be required to identify SBE/DVBE subcontractor activity and actual dollar value commitments for that Task Order. Overall SBE/DVBE achievement in meeting the commitments will be determined based on cumulative SBE/DVBE participation of all Task Orders awarded.

<b>Small Business Goal</b>	<b>25% SBE 3% DVBE</b>	<b>Small Business Commitment</b>	<b>26% SBE 4% DVBE</b>
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**Prime: Kleinfelder Inc.**

	<b>Subcontractors</b>	<b>SBE</b>	<b>DVBE</b>
1.	Advanced Technology Laboratories	X	
2.	Aero Environmental Services	X	
3.	AP Engineering & Testing, Inc.	X	
4.	Asset Laboratories	X	
5.	Aurora Industrial Hygiene, Inc.	X	X
6.	AVA Environmental Inc.	X	
7.	Bancroft Construction Services		X
8.	Calvada Surveying		X
9.	Colbert Environmental Group	X	
10.	CSDA Design Group	X	
11.	D'Leon Consulting Engineers	X	
12.	E-Nor Innovations, Inc.	X	X
13.	Entech Northwest, Inc.	X	
14.	Global ASR Consulting, Inc.	X	
15.	ICI Engineers, Inc.	X	
16.	J & H Drilling Co., Inc.	X	
17.	Martini Drilling Corporation	X	
18.	Morgner Construction Management	X	
19.	MugenKioku Corporation	X	
20.	Paleo Solutions, Inc.	X	
21.	Polytechnique Environmental, Inc.	X	

22.	Safe Probe, Inc.	X	
<b>Prime: Kleinfelder Inc. (cont.)</b>			
	<b>Subcontractors</b>	<b>SBE</b>	<b>DVBE</b>
23.	SunWest Engineering Constructors, Inc.	X	
24.	ToxRisk Consulting, LLC	X	
25.	V & A Inc.	X	
26.	Wagner Engineering & Survey, Inc.	X	
<b>TOTAL COMMITMENT</b>		<b>26%</b>	<b>4%</b>

**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).

**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.



## Board Report

File #: 2021-0410, File Type: Contract

Agenda Number: 36.

### CONSTRUCTION COMMITTEE JUNE 17, 2021

**SUBJECT: ENVIRONMENTAL WASTE HANDLING AND ENVIRONMENTALLY RELATED  
CONSTRUCTION SERVICES**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

AUTHORIZE:

- A. An increase to the total authorized funding for Contract No. PS20655 with TRC Solutions Inc. for Environmental Waste Handling and Environmentally Related Construction Services in the Not-to-Exceed amount of \$19,759,809, increasing the total authorized funding from \$74,800,000 to \$94,559,809, extending the contract term an additional six months; and
- B. The Chief Executive Officer (CEO) to execute all individual Task Orders and changes within the new Board approved contract funding amount.

#### **ISSUE**

Nearly every capital project and all transit projects undertaken by Metro require evaluation and removal of hazardous substances, contamination, or a need for regulatory compliance under federal, state and local law. Metro must comply with all environmental laws to avoid fines, and civil or criminal liability.

The scope of work identified in this contract generally falls into two categories: support for Metro's capital program and Metro's underground storage tank program. Expertise and services within the contract scope also include those of drillers, laboratory scientists, tank design engineers, and operators for heavy earth-moving and material handling equipment and trucks. Equipment used within the contract scope also include laboratory equipment and use of heavy earth-moving equipment and trucks. These are all needed to ensure continual compliance in all aspects of our construction and tank operations. Our agency does not have these types of specialized resources.

The passing of Measure M and continuation of Measure R projects in recent years has further increased the number of projects that have been developed. More recently, additional projects such as the Rosecrans-Marquardt Grade Separation, and compliance needs such as the Metro Fuel Storage Tank Program have further increased the need for specialized environmental waste handling

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and environmentally related construction services. Most recently, under a State Water Resources Control Board Consent Decree order, we have also accelerated the installation of above ground tanks to house our hazardous chemicals as we reduce the number of underground storage tanks still in use.

The increased and overlapping capital programs in the last five years has increased the level and volume of capital project requests for support. In addition, there has also been an increased volume of Operations related tank work due to the Consent Decree. The use of Contract No. PS20655 to support these required efforts has resulted in the authorized contract funding being fully encumbered. All work under this contract is authorized by Task Orders and the aggregate value of the Task Orders establishes the Total Contract Amount and that must always be within the Board authorized funding amount for the contract.

Staff is completing a second parallel contract procurement. The contract will provide additional vendor participation and environmental waste handling and environmentally related construction services capacity but specific to capital projects. The procurement is still underway and is expected to come before the Board in July 2021.

Contract No. PS20655 is only about four years old and has approximately \$3M left in contract value. That amount is insufficient to address the additional programmed activities within the next year. While the procurement for the new parallel contract is anticipated to be completed in July 2021, there would not be enough contract value capacity in this current contract to address the programmed activities in time for the Notice to Proceed for the new parallel contract.

Staff requests the Board for an increase in current contract funding of \$19,759,809. This is necessary to continue the support for the major capital projects and comply with the State Water Resources Control Board 2019 Consent Decree. This is also critical to execute current schedule and cost critical tasks and those that are already in the project pipeline and maintain momentum of support to the capital projects, pending award of the parallel contract currently in procurement.

## **DISCUSSION**

The capital related work being supported under this Contract is required in order to meet the accelerated capital program that has grown from \$14B to approximately \$21B+ in five years. Contract No. PS20655 has been an important asset to all the major capital projects that it has been used to support; saving time, reducing project delays, producing cost-efficiencies that reduce impacts to project budget while maintaining regulatory compliance for every capital project.

Over the past four years, the Contract No. PS20655 consultant contract has been a key contributor to support numerous large capital Projects. These include:

- Portal Widening Turnback (PWT);
- Purple Line Section 1;
- Purple Line Section 2;
- Purple Line Section 3;
- Crenshaw LRT;



- Metro Fuel Storage Tank Program; and
- Emergency Service Operations Center (ESOC).

While there have been due diligence efforts to anticipate unforeseen environmental conditions at the project sites, procuring for project specific environmental services contracts to address unforeseen circumstances determined during project development or design could significantly delay schedule. Specifically, such delay would have likely resulted in increased liability for contractor claims for delay to schedule completion milestones or risk fines due to violation upon the order by a regulatory agency.

Metro staff does not have the internal resources to do all environmental waste handling and environmental compliance support work in house. To complement and supplement limited resources, Metro has contracted for such vendors with specialized environmental equipment and technical capabilities to include laboratory, field services, and evaluation and remediation tools. Metro, in effect, would incur more cost to do the work internally than by employing these types of consultants and specialized vendors.

In addition, as part of the 2019 Consent Decree with the State Water Resources Control Board, staff is also accelerating the upgrades of underground storage tank infrastructure. Where feasible, staff is converting underground storage of hazardous materials to above ground storage.

Based on current information (April 2021), \$72,059,808 will have been spent in support of all current capital projects. Approximately \$20M worth of environmental support services need to be executed within the next year. These include the following:

Project Title	Task Order (TO) Description	Anticipated TO Amount
Metro Fuel Storage Tank Program	UST Removals and AST Installations, Fuel System Repairs and Maintenance, SWQCB Consent Decree Compliance	\$12,200,000
Crenshaw-LAX Demolition/Abatement Union Equity Buildings	Union Equity Building Abatement of Haz Mat and demolition	\$3,300,000
Azusa Depot	Abatement of Haz Mat and demolition	\$2,000,000
North Hollywood Demolition/Abatement	Abatement of Haz Mat and demolition of Metro owned properties	\$1,500,000
Rosecrans-Marquardt Grade Separation	Abatement of Haz Mat and demolition of Metro owned properties	\$3,000,000

Additional environmental services are currently being programmed in support of all capital projects and agency-wide environmental compliance. Those services will be performed in the future parallel contract.

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## **DETERMINATION OF SAFETY IMPACT**

This Board action will not have an adverse impact on safety standards for Metro. It will however increase safety as environmental related projects and programs are implemented to increase the health and safety of our staff and enhance customer experience of our system.

## **FINANCIAL IMPACT**

Contract No. PS20655 is an Indefinite Delivery/Indefinite Quantity (IDIQ) contract. All Task Orders are individually negotiated, and level of effort fully defined prior to the authorization of any project specific funds. The Chief Program Management Officer, Chief Sustainability Officer, and Project Managers are responsible for providing appropriate budgets and following Task Order process protocols for the execution of each Task Order. Execution of work under those Task Orders within those Contract Work Order (CWO) issued for each project can continue beyond the contract end date.

Obligations and authorizations made within the authorized total contract funding amount will be against specific capital project or operations budgets which make up the Board-approved Metro budget for the particular fiscal year. Specific funding for this contract will parallel the project approved by Board under separate actions. The Project Managers of each of the business units and projects overseeing these projects will be responsible for providing appropriate budgets.

### **Impact to Budget**

The source of funds for this contract is included in Cost Center 8420 Environmental Compliance and Services Department's budget under Project Numbers 300012 - Site Remediation, 202213 Fuel Storage Tanks, and 100055 Administrative-Measure R, in Account 50316 Professional and Technical Services. The Site Remediation and Fuel Storage Tanks are in support of Metro Operations thus uses operations-eligible funds.

The project funds to be used to support capital project environmental services work are within the LOP of the respective capital projects.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This environmental waste handling and environmentally related construction services contract supports Strategic Goal 2 by optimizing the delivery and performance of Metro's transportation system by incorporating environmental compliance through environmental services activities to reduce impacts to the environment and increase system efficiency.

## **ALTERNATIVES CONSIDERED**

The Metro Board of Directors could decide not to increase the funding for this contract and solicit and award individual contracts for each environmental task as the need arises. Staff does not recommend this alternative owing to high costs, construction delays and, for multiple contracts and administrative inefficiencies that are current occurring. The risk for non-compliance with the 2019 Water Board

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Consent Decree will also be higher for any delays in executing the Consent Decree requirements.

As another alternative, Metro could perform all the environmental construction and waste handling services in-house. However, to do so, Metro would need to hire additional staff with expertise in many different subjects, such as drillers, laboratory science, UST design engineers, and operators for heavy earth-moving and material handling equipment, as well as purchase earthmoving and material handling equipment, and laboratory equipment. Staff does not recommend this alternative owing to high acquisition costs to procure personnel and equipment as well as potential for implementation and training delays.

### **NEXT STEPS**

Upon Board approval, staff will proceed with issuing Task Orders and Contract Work Orders on Contract No. PS20655.

In addition, because of the magnitude of the anticipated volume of additional environmental services work in the next 10 years, staff is in the process of going out to the market in FY22 for the replacement of Contract No. PS20655 and to ensure diversity in contracts, competitive pricing, and availability of environmental services resources.

### **ATTACHMENTS**

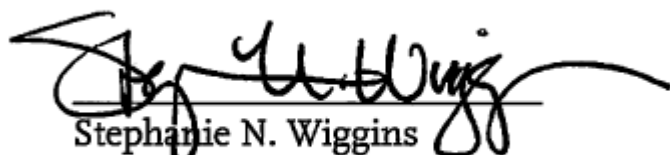
Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Cris B. Liban, Chief Sustainability Officer, (213) 922-2471

Reviewed by: Bryan Pennington, Chief Program Management Officer (Interim), (213) 922-7449

Debra Avila, Chief Vendor/Contract Management Officer,  
(213) 418-3051



Stephanie N. Wiggins  
Chief Executive Officer

## PROCUREMENT SUMMARY

ENVIRONMENTAL WASTE HANDLING AND ENVIRONMENTALLY RELATED  
CONSTRUCTION SERVICES / PS20655

1.	<b>Contract Number:</b> PS20655			
2.	<b>Contractor:</b> TRC Solutions, Inc.			
3.	<b>Mod. Work Description:</b> Increase not-to-exceed funding amount by \$19,759,809 from \$74,800,000 to \$94,559,809 and execute individual Task Orders and Contract Modifications.			
4.	<b>Contract Work Description:</b> Environmental Waste Handling and Environmentally Related Construction Services			
5.	<b>The following data is current as of:</b> June 3, 2021			
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>	
	<b>Contract Awarded:</b>		<b>Contract Award Amount:</b>	NTE \$42,274,495
	<b>Notice to Proceed (NTP):</b>	7/20/17	<b>Total Approved and Pending Task Orders and Modifications:</b>	\$72,098,482
	<b>Original Complete Date:</b>	8/30/17	<b>Proposed Task Orders and Modifications (including this action):</b>	\$22,461,327
	<b>Current Est. Complete Date:</b>	7/27/20	<b>Current Contract Value (with this action):</b>	\$94,559,809
7.	<b>Contract Administrator:</b> Daniel A Robb		<b>Telephone Number:</b> (213) 922-7074	
8.	<b>Project Manager:</b> Emmanuel Liban		<b>Telephone Number:</b> (213) 922-7471	

**A. Procurement Background**

On July 20, 2017, the Board of Directors approved award of Contract No. P20655 to TRC Solutions, Inc. in the amount not-to-exceed \$42,274,495 to provide services to handle hazardous materials, environmental waste handling, and certain environmentally related construction services for Metro's major transit capital projects, other capital projects, or facilities improvements.

The Environmental Waste Handling and Environmentally Related Construction Services Contract 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.

Sixty Eight (68) Task Orders have been issued to TRC Solutions, Inc., to date, including twenty-two (22) Task Order modifications.

This Board action is to approve an increase to the total authorized funding for Contract No. PS20655, to continue providing Environmental Waste Handling and Environmentally Related Construction 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. PS20655 is a cost plus fixed fee (CPFF) Contract.

**B. Cost/Price Analysis**

All direct labor rates, indirect cost rates and the negotiated fixed fee factor for this cost reimbursable plus fixed fee are in accordance with the 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 total authorized funding for this contract.

## DEOD SUMMARY

**ENVIROMENTAL WASTE HANDLING AND ENVIRONMENTALLY RELATED  
CONSTRUCTION  
CONTRACT NO PS20655**

**A. Small Business Participation**

TRC Solutions, Inc. made a 32% Small Business Enterprise (SBE), 3% Disabled Veteran Business Enterprise (DVBE) and 30% Disadvantaged Business Enterprise (DBE) commitment for this contract funded by multiple sources. This on-call contract has federal, state, and Measure M funding. Overall SBE/DVBE and DBE participation is determined based on the funding source and the aggregate of all Task Orders (TOs) awarded.

To date, fifty-six (56) TOs and their Modifications have been awarded. Based on payments reported, the contract is 81.80% complete and the cumulative SBE participation of all TOs awarded is 61.56%, exceeding the commitment by 29.56%. The cumulative DVBE participation of all TOs awarded is 2.62%, representing a shortfall of 0.38%, and the DBE participation of all TOs awarded is 59.14%, exceeding the commitment by 29.14% (percentages rounded).

TRC Solutions, Inc. explained that some of the listed certified firms included in their initial proposal and subsequent certified firms added were based on the general RFP Statement of Work; however, their particular skills and specialties have not matched specific TO service requests issued thus far by Metro to receive a TO award. TRC brought DVBE Surf to Snow onto the team to specifically meet Metro's scope requirements and will continue to proactively engage their DVBE partners (and SBE/DBEs yet to be utilized) on TOs as the work requests are issued from Metro Project Managers.

Notwithstanding, Metro Project Managers and Contract Administrators will work in conjunction with DEOD to ensure that TRC Solutions, Inc. remains on schedule to meet or exceed its DBE, SBE, and DVBE commitments. Metro staff will request that TRC Solutions, Inc. submit an updated mitigation plan if TRC Solutions, Inc. is not on track to meet its small business commitments. Additionally, key stakeholders associated with the contract have been provided access to Metro's online monitoring system to ensure that all parties are actively tracking Small Business progress

<b>SMALL BUSINESS COMMITMENT</b>	<b>32% SBE 3% DVBE 30% DBE</b>	<b>SMALL BUSINESS PARTICIPATION</b>	<b>61.56% SBE 2.62% DVBE 59.14% DBE</b>
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	<b>SBE Contractors</b>	<b>Ethnicity</b>	<b>Current Participation</b>
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1.	Acoustics Group	Asian-Pacific American	0.00%
2.	A-Tech Consulting, Inc.	Caucasian Female	0.01%
3.	Calvada Surveying	Hispanic American	0.00%
4.	GCAP Services, Inc.	Hispanic American	0.50%
5.	HTS Environmental Services	Caucasian	0.28%
6.	Martini Drilling Corp.	Hispanic American	0.01%
7.	Sun West Engineering Constructors	Caucasian Female	10.19%
8.	R E M Engineering Co., Inc.	Black American	0.00%
9.	Sanberg Group	Caucasian Female	0.00%
10.	The Sierra Group (Barrantes Enterprises, Inc.)	Hispanic American Female	0.00%
11.	B&D Construction Co., Inc.*	Caucasian	31.76%
12.	Ava Environmental Inc.*	Hispanic American	0.00%
13.	Jesus H. Zepeda*	Hispanic American	0.00%
14.	Global Probe, Inc.*	Hispanic American	0.00%
15.	Integrated Demolition and Remediation*	Subcontinent Asian American	17.18%
16.	KRT Management, Inc.*	Caucasian Female	0.00%
17.	OFRS, Inc.*	Caucasian	0.34%
18.	Pacific Railway Enterprises, Inc.*	Caucasian Female	0.10%
19.	Performance Analytical Laboratories, Inc.*	Caucasian Female	0.08%
20.	Spectrum Environmental Services, Inc.*	Caucasian	0.18%
21.	Surf to Snow Environmental Resource Management, Inc.*	Caucasian	0.27%
22.	Tri Span, Inc.*	Hispanic American	0.66%
<b>TOTAL</b>		<b>32%</b>	<b>61.56%</b>
<b>*SBE Firms added to the contract</b>			

	<b>DVBE Contractors</b>	<b>% Committed</b>	<b>Current Participation</b>
1.	Calvada Surveying	Hispanic American	0.34%
2.	R E M Engineering, Inc.	Black American	0.003%
3.	Sandberg Group	Caucasian Female	0.00%
4.	Moore Twining Associates, Inc.*	Unknown	0.004%
5.	Surf to Snow Environmental Resource Management, Inc.	Caucasian	2.27%
<b>TOTAL</b>		<b>3%</b>	<b>2.62%</b>
<b>*DVBE Firms added to the contract</b>			

	<b>DBE Contractors</b>	<b>Ethnicity</b>	<b>Current Participation</b>
1.	A-Tech Consulting, Inc.	Caucasian Female	0.84%
2.	GCAP Services, Inc.	Hispanic American	1.10%
3.	Global Probe, Inc.	Hispanic American	0.00%
4.	Martini Drilling Corp.	Hispanic American	1.40%
5.	SunWest Engineering Constructors	Caucasian Female	0.00%
6.	The Sanberg Group	Caucasian Female	0.00%
7.	The Sierra Group (Barrantes Enterprises, Inc.)	Hispanic American Female	0.32%
8.	Acoustics Group*	Asian Pacific American	0.00%
9.	Calvada Surveying, Inc.*	Hispanic American	0.00%
10.	AVA Environmental, Inc.*	Hispanic American	0.00%
11.	Jesus H. Zepeda*	Hispanic American	0.00%
12.	Integrated Demolition and Remediation, Inc.*	Subcontinent Asian American	49.23%
13.	KRT Management, Inc.*	Caucasian Female	3.01%
14.	Pacific Railway Enterprises, Inc.*	Caucasian Female	0.00%
15.	Performance Analytical Laboratories, Inc.*	Caucasian Female	0.30%
16.	R E M Engineering, Inc.*	Black American	0.00%
17.	Tri-Span, Inc.*	Hispanic American	2.94%
<b>TOTAL</b>			<b>59.14%</b>
<b>*DBE Firms added to contract after award</b>			

<sup>1</sup>Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.



**B. Contracting Outreach and Mentoring Plan**

TRC Solutions, Inc. submitted a Contracting Outreach and Mentoring Plan (COMP) and committed to mentor four (4) firms as required to be responsive.

**C. 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.

**D. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will continue to 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).

**E. 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.