

# **Metro**

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



## **Agenda - Final**

**Thursday, June 20, 2019**

**10:15 AM**

**One Gateway Plaza, Los Angeles, CA 90012,  
3rd Floor, Metro Board Room**

### **Construction Committee**

*Robert Garcia, Chair*

*Jacquelyn Dupont-Walker, Vice Chair*

*Kathryn Barger*

*Janice Hahn*

*James Butts*

*John Bulinski, non-voting member*

*Phillip A. Washington, 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 should be submitted in person at the meeting to the Board Secretary. Individuals requesting to speak on more than three (3) agenda items will be allowed to speak up to a maximum of three (3) minutes per meeting. For individuals requiring translation service, time allowed will be doubled.

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.

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 up to three (3) minutes per meeting and may speak no more than once during the Public Comment period. Speakers will be called according to the order in which the speaker request forms are received. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant 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**

Agendas for the Regular MTA Board meetings are prepared by the Board Secretary and are available prior to the meeting in the MTA Records Management Department and on the Internet. Every meeting of the MTA Board of Directors is recorded on CD's and as MP3's and can be made available for a nominal charge.

## DISCLOSURE OF CONTRIBUTIONS

The State Political Reform Act (Government Code Section 84308) requires that a party to a proceeding before an agency involving a license, permit, or other entitlement for use, including all contracts (other than competitively bid, labor, or personal employment contracts), shall disclose on the record of the proceeding any contributions in an amount of more than \$250 made within the preceding 12 months by the party, or his or her agent, to any officer of the agency, additionally PUC Code Sec. 130051.20 requires that no member accept a contribution of over ten dollars (\$10) in value or amount from a construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years. Persons required to make this disclosure shall do so by filling out a "Disclosure of Contribution" form which is available at the LACMTA Board and Committee Meetings. Failure to comply with this requirement may result in the assessment of civil or criminal penalties.

## ADA REQUIREMENTS

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## LIMITED ENGLISH PROFICIENCY

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**323.466.3876 x2**

*Español*

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한국어

日本語

中文

русский

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ภาษาไทย

Tiếng Việt

ភាសាជប៉ុន

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Copies of Agendas/Record of Board Action/Recordings of Meetings - (213) 922-4880 (Records Management Department)

General Information/Rules of the Board - (213) 922-4600

Internet Access to Agendas - [www.metro.net](http://www.metro.net)

TDD line (800) 252-9040

**NOTE: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA**

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

36. **SUBJECT: PROGRAM MANAGEMENT MAJOR PROJECT STATUS REPORT** [2019-0362](#)

**RECOMMENDATION**

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

**Attachments:** [Attachment A - Program Management Major Project Status Report](#)

37. **SUBJECT: INSPECTION OF STRUCTURES CONTRACT** [2019-0064](#)

**RECOMMENDATION**

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to execute a seven-year firm fixed price Contract No. AE133246000, with Alta Vista Solutions for the inspection of Metro structures including light rail, roadway, bikeway, and busway bridges, elevated stations, subway tunnels, and retaining walls comprising a base term of five years in the amount of \$6,248,047; two, one-year options in the amount of \$665,174 for option year one and \$1,318,399 for option year two, and \$130,223 for an additional 15 inspections to accommodate additional assets that may be brought on line during the life of the contract, for a combined total of \$8,361,846 subject to the resolution of protest(s), if any; and
- B. APPROVING Contract Modification Authority specific to Contract No. AE133246000 in the amount of \$1,672,369 or 20% of the total contract value, to cover any unforeseen issues that may arise during the course of the contract.

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

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

[2019-0380](#)

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

A. EXECUTE Modification No. 3 to Contract No. PS2890900 with Del Richardson & Associates, Inc. (DRA) for professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC) in an amount not to exceed \$582,117, increasing the total contract value from \$949,008 to \$1,531,125 and extending the period of performance for up to two years; and

B. RECEIVE AND FILE the status report of the Crenshaw/LAX BSC.

**Attachments:**      [Attachment A - Motion 79](#)  
[Attachment B - Procurement Summary](#)  
[Attachment C - Contract Modification - Change Order Log](#)  
[Attachment D - DEOD Summary](#)  
[Presentation](#)

**39. SUBJECT: METRO SUSTAINABLE ACQUISITION PROGRAM**

[2019-0397](#)

**RECOMMENDATION**

AUTHORIZE the implementation of an enterprise-wide Metro Sustainable Acquisition Program.

**Attachments:**      [Attachment A - Sustainable Acquisition Program -](#)

**SUBJECT: GENERAL PUBLIC COMMENT**

[2019-0471](#)

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 #: 2019-0362, File Type: Oral Report / Presentation

Agenda Number: 36.

### CONSTRUCTION COMMITTEE JUNE 20, 2019

**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 2019 by the Chief Program Management Officer.

#### **ATTACHMENTS**

Attachment A - Program Management Major Project Status Report

Prepared by:

- **Crenshaw/LAX** - Sameh Ghaly, Sr EO Project Mgmt., (213) 418-3369
- **Regional Connector** - Gary Baker, EO Project Mgmt., (213) 893-7191
- **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
- **Patsaouras Plaza Busway Station** - Timothy Lindholm, EO Project Engr., (213) 922-7297
- **Willowbrook/Rosa Park Station** - Timothy Lindholm, EO Project Engr., (213) 922-7297
- **The New Blue** - Timothy Lindholm, EO Project Engr., (213) 922-7297
- **I-210 Barrier Replacement** - Androush Danielians, EO Project Engr., (213) 922-7598
- **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, Princ. Prog. Mgmt. Analyst, (213) 418-3031



# **Program Management Major Project Status Report**

Presented By

**Richard Clarke**

Chief Program Management Officer

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June 2019























**Construction Committee**

Los Angeles County Metropolitan Transportation Authority





# PROJECT BUDGET & SCHEDULE STATUS SUMMARY CHART

Project	Cost Performance	Schedule Performance	Comments
Crenshaw/LAX			Project is 92% complete. Metro issued non-compensable time extension to contractor extending Contract Substantial Completion Milestone to December 2019. The forecast revenue service date is Summer 2020.
Regional Connector			Project is 57% complete and proceeding on schedule and within budget.
Westside Purple Line Extension-Section 1			Project is 48% complete and proceeding on schedule and within budget.
Westside Purple Line Extension-Section 2			Project is 17% complete and proceeding on schedule and within budget.
Westside Purple Line Extension-Section 3			C1152 Stations, Trackwork, Systems, and Testing Contract - Metro received FTA's Letter of No Prejudice on April 18, 2019, and the Contract was awarded in late May 2019.
Patsaouras Plaza			Project is 65% complete. Board approved budget revision in May 2019. Metro has completed archaeological and Native American investigation. Construction resumed May 13, 2019.
Willowbrook/Rosa Parks Station			Package A is 40% complete with exterior paneling work progressing on the Customer Service Building. Structural work is complete at the Mobility Hub Building with utilities beginning. Blue Line Station and Mezzanine work continues with platform work. Package B 100% bid package is pending Metro review.
Metro Blue Line Projects			Metro Blue Line south segment System Integration Testing has started. Opening of the south side and closure of the north side scheduled for June 1, 2019.
I-210 Barrier Replacement			Working with Cities to develop mitigation measures to alleviate traffic impact to City streets during median construction. Public Outreach is developing a Draft Communication Plan for the cities. Final Design for Project 1 is underway.
I-5 North: SR 118 to SR 134			Segment 3 (Empire) is 73% complete. Segment 4 (Magnolia to SR-134) is 91% complete.
I-5 South: Orange County Line to I-605			Segment 2 (Valley View) is 40% complete. Segment 3 (Rosecrans) is open to traffic. Segment 4 (Imperial) is 95% complete. Segment 5 (Florence) is 79% complete.

June 2019

Construction Committee

Los Angeles County Metropolitan Transportation Authority



On target



Possible problem



Major issue



Metro 2

# CRENSHAW/LAX TRANSIT PROJECT

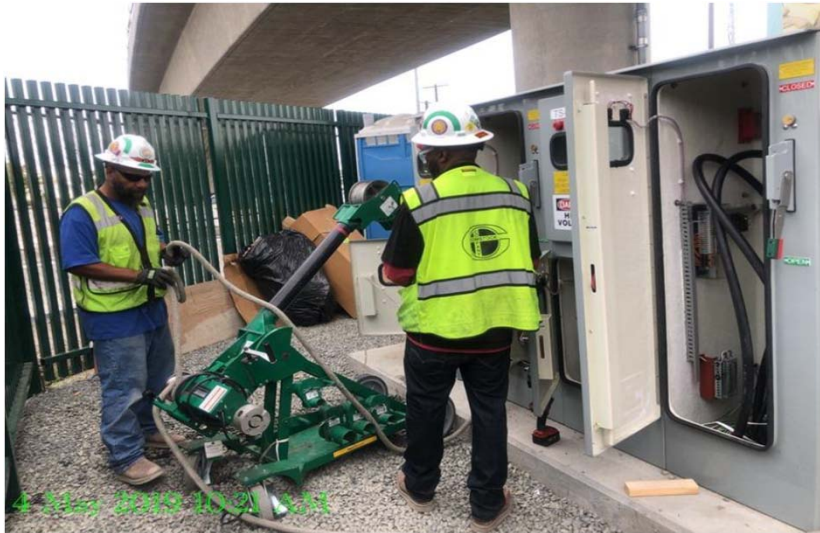
## BUDGET

	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$2,058M	\$2,058M

## SCHEDULE

	<u>Current</u>	<u>Forecast</u>
REVENUE OPERATION	Spring/Summer 2020	Spring/Summer 2020

- Overall Project Progress is 92% complete; addressing contractor construction schedule.
- Contractor continues critical construction efforts in the north end underground structures.
- Working with 3<sup>rd</sup> parties to complete power drops for traction power substations in support of testing systems equipment .
- Contractor addressing open sidewalk and street punch list items along alignment.



Linemen pulling feeder cable at Traction Power Substation # 3



Installation of metal ceiling grid at the Leimert Park Station platform

June 2019



On target



Possible problem



Major issue

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 3

# REGIONAL CONNECTOR TRANSIT PROJECT

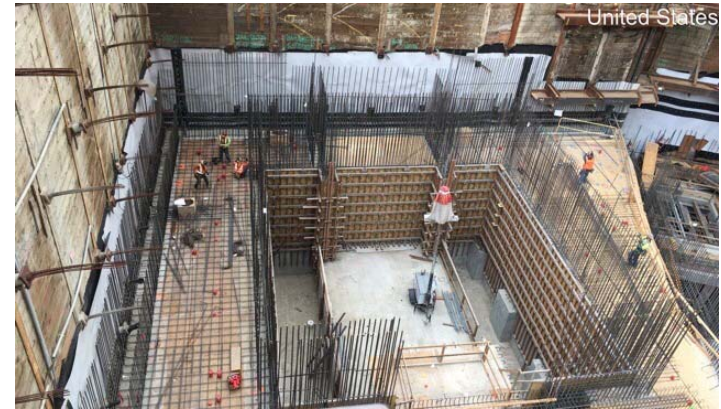
## OK BUDGET

	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$1,810M	\$1,810M

## OK SCHEDULE

	<u>Current</u>	<u>Forecast</u>
REVENUE	Spring/Summer 2022	Spring/Summer 2022
OPERATION	2022	2022

- Overall Project Progress is 57% complete.
- Underground:** Began work on Floating Slab Track curbs, and High Density Poly Ethylene (HDPE) installation in Sequential Excavation Method (SEM) Cavern in preparation for final liner concrete.
- Little Tokyo/Arts District Station, WYE and 1st Street:** Excavation and related support of excavation, utility protection continues at WYE and 1<sup>st</sup> Street; and structural concrete operations on station walls continue.
- Historic Broadway Station:** Structural concrete continues with exterior walls in station entrance and concourse.
- Grand Av Arts/Bunker Hill Station:** Structural concrete walls continue to be erected at multiple levels throughout station.
- Flower Street:** Excavation and utility protection south of 5th continues. Concrete operations between 4<sup>th</sup> and 5<sup>th</sup> Streets continue.



Rebar installation at Ancillary Level of Grand Av Arts/Bunker Hill Station



Protection slab placement at 1st Street Leg

June 2019



On target



Possible problem



Major issue

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 4

# WESTSIDE PURPLE LINE EXTENSION – SECTION 1

## BUDGET

	<u>Current</u>	<u>Forecast</u>
TOTAL COST*	\$3,154M	\$3,154M

\* Includes Board approved LOP budget plus finance costs.

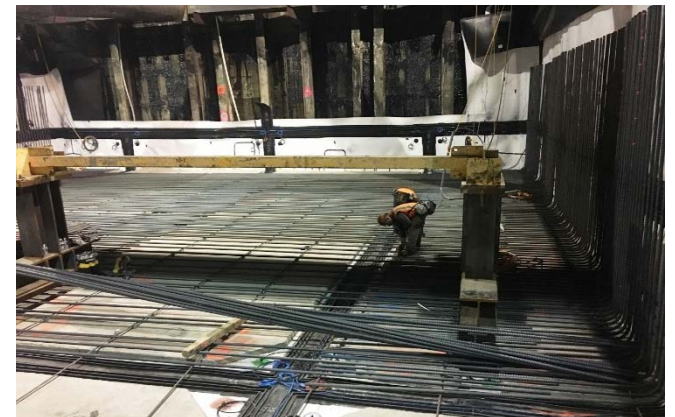
## SCHEDULE

	<u>Current</u>	<u>Forecast</u>
REVENUE	Fall	Fall
OPERATIONS	2024 (FFGA)	2023

- Overall Project Progress is 48% complete.
- Wilshire/Western Retrieval Shaft:** Preparation for Tunnel Boring Machine (TBM) arrival in June 2019, including framing installation for tunnel eyes. Gantry crane installation has commenced.
- Wilshire/La Brea Station:** Continued rebar placement and embedded conduit and pipe sleeves at concourse slab with the first placement of concrete scheduled at end of May 2019. Tunnel segments continue to be received, inspected and stockpiled.
- Wilshire/Fairfax Station:** HDPE installation and protection slab placement are on going concurrently. Invert rebar placement has commenced.
- Wilshire/La Cienega Station:** Level D waler installation has commenced. Installation of additional internal dewatering wells continues. Bottom of excavation is anticipated to be reached in August 2019.
- Reach 1 TBM Progress (W/LB to W/W):** TBM #1 – 8,043 ft. or 83%; TBM #2 – 7,148 ft. or 74% as of May 13, 2019.



Preparing for TBM Arrival at Wilshire/Western



Invert Rebar Placement at Wilshire/Fairfax Station

June 2019



On target



Possible problem



Major issue

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 5

# WESTSIDE PURPLE LINE EXTENSION – SECTION 2



## BUDGET

	<u>Current</u>	<u>Forecast</u>
TOTAL COST*	\$2,530M	\$2,530M

\* Includes Board approved LOP budget plus finance costs.



## SCHEDULE

	<u>Current</u>	<u>Forecast</u>
REVENUE OPERATION	Winter 2026 (FFGA)	Summer 2025

- Overall Project progress is 17% complete.
- Final design progress is 92% complete.
- **Century City Constellation**
  - Installation of temporary power for the tunnel boring machine (TBM) continues.
  - TBM launch box excavation and supporting underground utilities continues.
  - Cable pulling and splicing for both utilities (LADWP & AT&T) is anticipated to complete prior to the start of piling activities West of the TBM Launch Box.
  - Santa Monica bus layover construction is ongoing with an anticipated completion in August 2019.
- **Wilshire/Rodeo**
  - Potholing for underground utilities by the contractor is ongoing.
  - Wet utility relocations are ongoing.
  - Pre-construction condition surveys are ongoing.



TBM Launch Box Overview in Century City



Utility Supported in Place in Century City

June 2019



On target



Possible problem



Major issue

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 6

# WESTSIDE PURPLE LINE EXTENSION – SECTION 3



## BUDGET

	<u>Current</u>	<u>Forecast</u>
TOTAL COST*	\$3,611M	\$3,611M

\* Includes Board approved LOP budget plus finance costs.



## SCHEDULE

	<u>Current</u>	<u>Forecast</u>
REVENUE	TBD	2027
OPERATION		

- C1151 Tunnel Contract
  - Preparation of 60% design submittals for review.
  - Completing utility ductbank design and coordinating with SCE to install power.
  - Initiated field geotechnical investigations.
- C1152 Stations, Trackwork and Systems Contract
  - Metro received Letter of No Prejudice (LONP), and the Contract was awarded in late May 2019.
- C1153 AUR Contract (Westwood/UCLA Station)
  - Substantial completion is targeted for July 3, 2019.
  - LADWP Power relocation is complete, water is ongoing, and construction is 93% complete.
- Other 3<sup>rd</sup> Parties Utility Relocation Work
  - Joint trench for Verizon and Frontier telecom is ongoing.
  - LADWP cable pulling is ongoing.



Geotechnical Investigations at VA Hospital for Tail Track Exit Shaft



Gate Valve Steel Lateral Utility Installation

June 2019



On target



Possible problem



Major issue

Construction Committee

Los Angeles County Metropolitan Transportation Authority



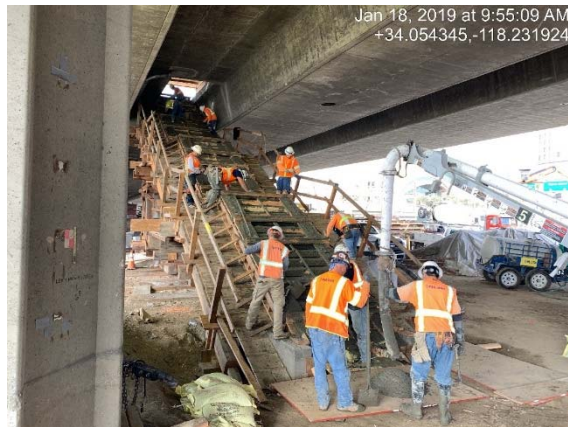
Metro 7

# PATSAOURAS BUS PLAZA STATION

 BUDGET		
	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$50.9M	\$50.9M

 SCHEDULE		
	<u>Current</u>	<u>Forecast</u>
SUBSTANTIAL COMPLETION	Spring 2020	Spring 2020

- Overall project progress remains at approximately 65% complete.
- Project suspension lifted and construction resumed May 13, 2019.
- Canopy foundation construction is in progress.
- Board approved budget revision in May 2019.



Pouring the emergency stairway exit



Pouring columns for the elevator structure



Investigation of the ESA at the west end of the retaining wall

June 2019



On target



Possible problem



Major issue

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 8

# WILLOWBROOK/ROSA PARKS STATION

OK BUDGET		
	Current	Forecast
TOTAL COST	\$109.3M	\$109.3M

OK SCHEDULE		
	Current	Forecast
SUBSTANTIAL COMPLETION	Summer 2020	Summer 2020

- Package A: Customer Service building exterior paneling ongoing. Major utility bottleneck has cleared and will work towards June completion. Mobility Hub Building structural work nearing completion.
- Package C: Concrete piles for Mezzanine extension complete. Extension of Blue Line platform in progress.
- Package B: Final coordination of 100% documents for Metro review.



Exterior sheathing at Customer Service Building



Structural Steel @ Mobility Hub



Formwork for south extension of Blue Line Platform



Pile and Beam work at Blue Line Platform/Mezzanine

June 2019



On target



Possible problem



Major issue

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 9



# THE NEW BLUE CLOSURE

 BUDGET		
	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$221.3M	\$221.3M

 SCHEDULE		
	<u>Current</u>	<u>Forecast</u>
SUBSTANTIAL COMPLETION	Fall 2019	Fall 2019

- Track, OCS, and Train Control work has been completed.
- System Integration Test has started.
- Painting of the OCS and light poles is continuing.
- Stations have been painted and new signage is being installed.
- Re-opening of the south side and closure of the north side scheduled for Saturday, June 1, 2019.



Test Trains rolling through Del Amo Station (New Digital Map on the platform covered)



Painting of the OCS/Light poles

June 2019



On target



Possible problem



Major issue

Construction Committee

Los Angeles County Metropolitan Transportation Authority



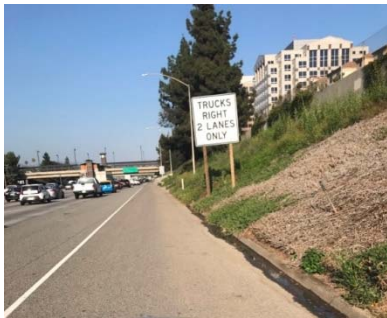
Metro 10

# I-210 BARRIER REPLACEMENT PROJECT

OK BUDGET		
	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$22.54M	\$22.54M
	Design	Design

OK SCHEDULE		
	<u>Current</u>	<u>Forecast</u>
Complete Design (Proj 1)	Summer 2019	Summer 2019
Complete Design (Proj 2)	Spring 2020	Spring 2020

- Draft Design Standard Decision Document for Project 1 submitted to Caltrans for review.
- Draft Communication Plan is being developed.
- Project 1: Segment from Michillinda to Iconic Bridge– Construction sequence has been determined. Final design in progress.
- Project 2: Segment from west end of the project to Michillinda – Traffic micro-simulation study results and proposed mitigation measures and detours are to be shared with the Cities and Caltrans.



Newly Installed Caltrans Freeway Sign



Incident in 2014



Newly Installed Speed Limit Sign

June 2019



On target



Possible problem



Major issue

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 11

# I-5 Construction Projects (By Caltrans)



June 2019

Construction Committee


Los Angeles County Metropolitan Transportation Authority



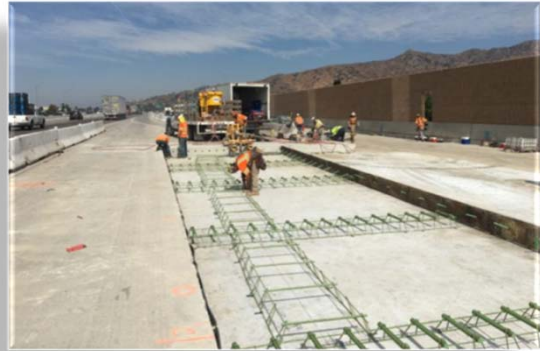
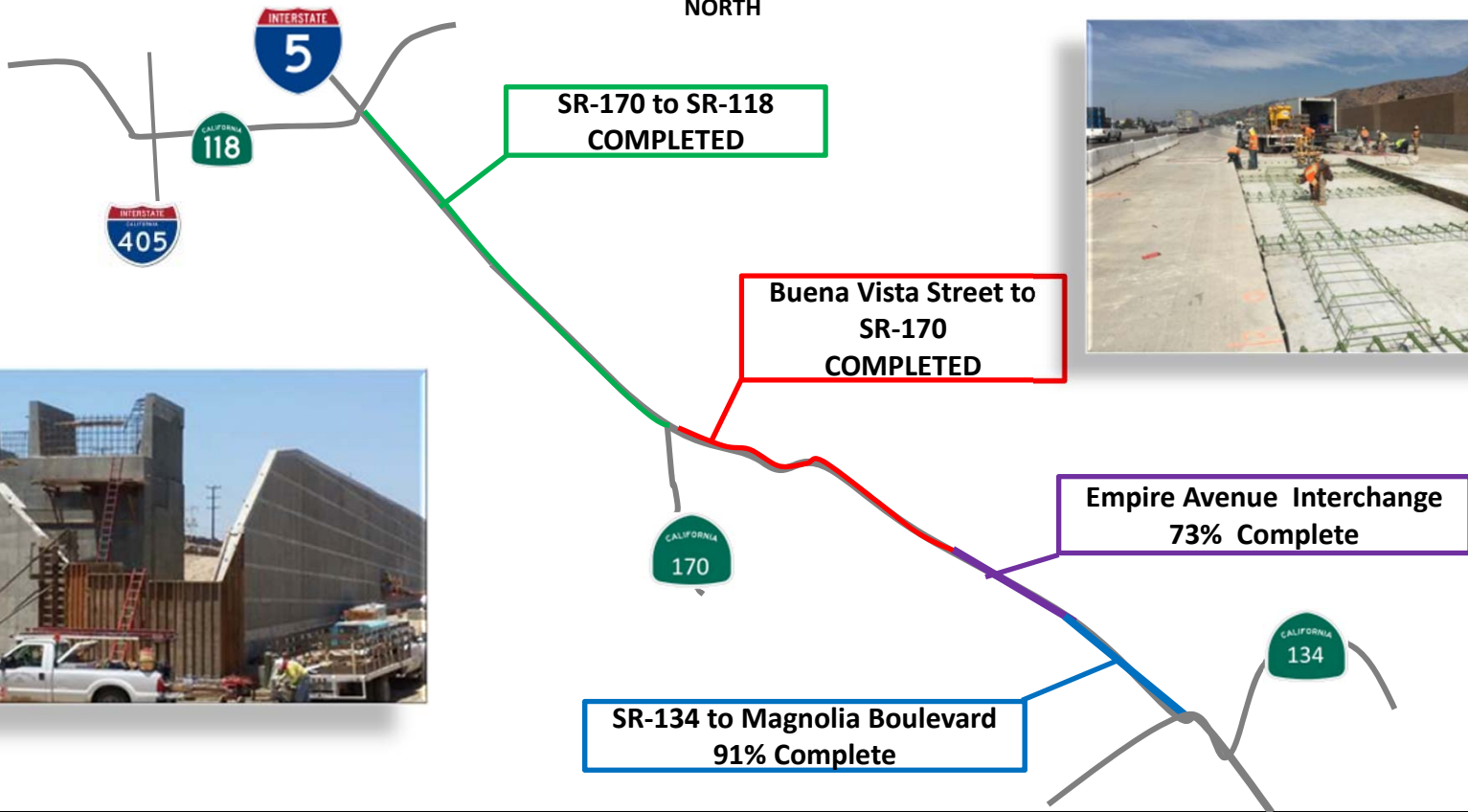
Metro 12

# I-5 NORTH: SR 118 TO SR 134



 BUDGET	Current	Forecast
TOTAL COST	\$880.9M	TBD

 SCHEDULE	Current	Forecast
ANTICIPATED PROJECT COMPLETION	Spring 2022	Summer 2022



June 2019



On target



Possible problem



Major issue

Construction Committee

Los Angeles County Metropolitan Transportation Authority



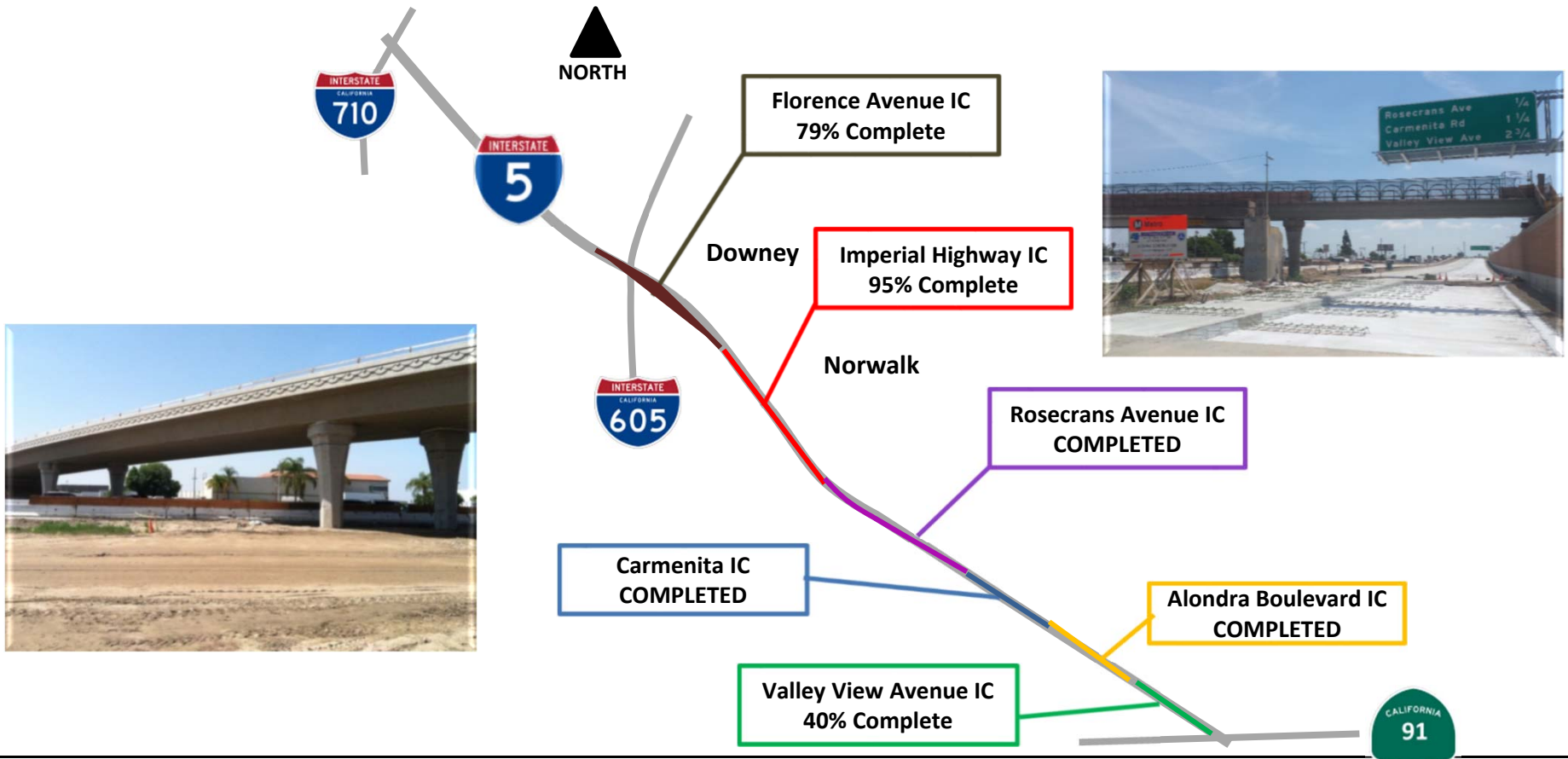
Metro 13

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



OK BUDGET		
	Current	Forecast
TOTAL COST	\$1.888B	TBD

◇ SCHEDULE		
	Current	Forecast
ANTICIPATED PROJECT COMPLETION	Fall 2022	Winter 2022



June 2019

Construction Committee

Los Angeles County Metropolitan Transportation Authority



On target



Possible problem



Major issue

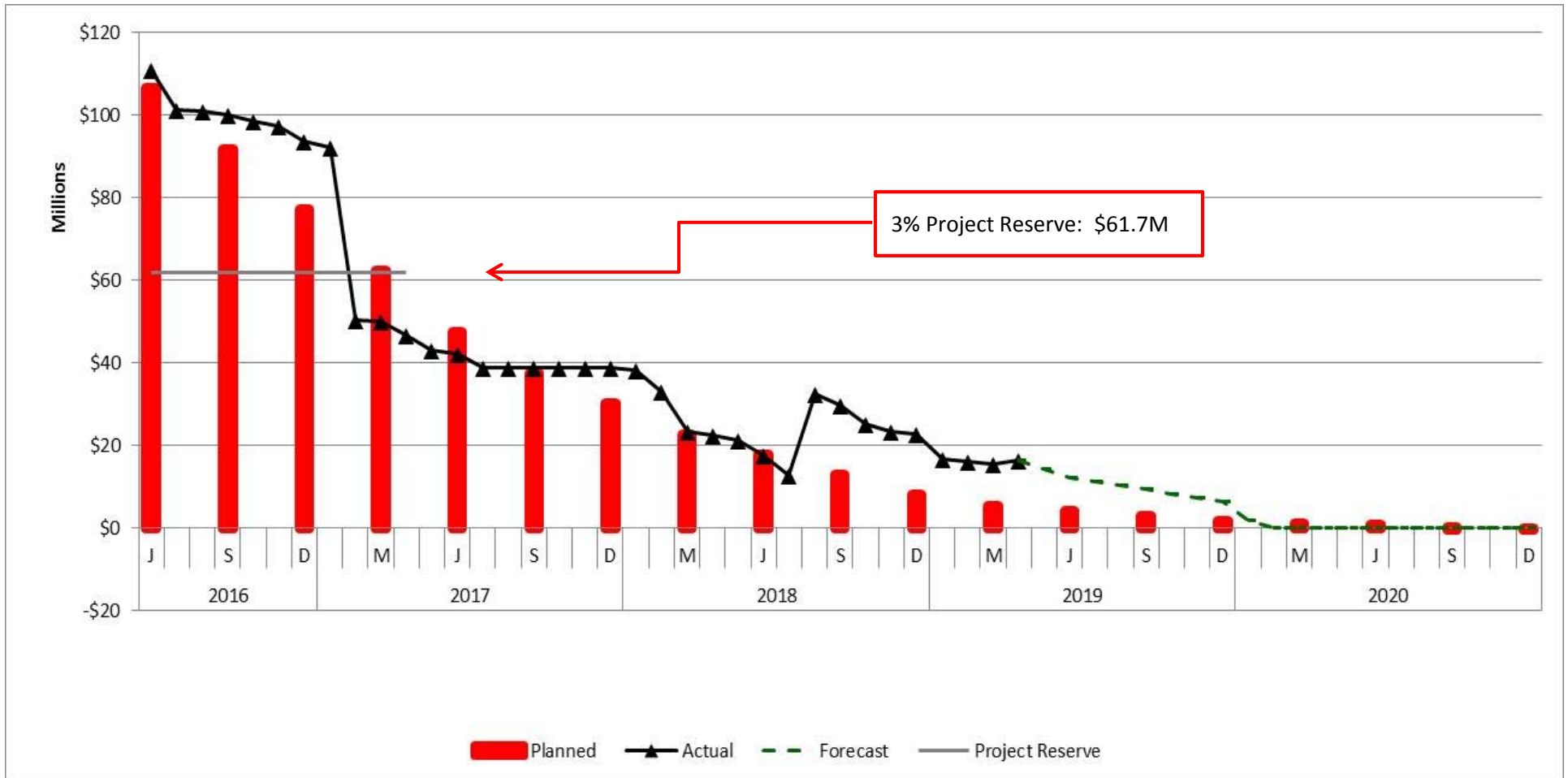


Metro 14

# Crenshaw/LAX Transit Project

## Project Cost Contingency Drawdown

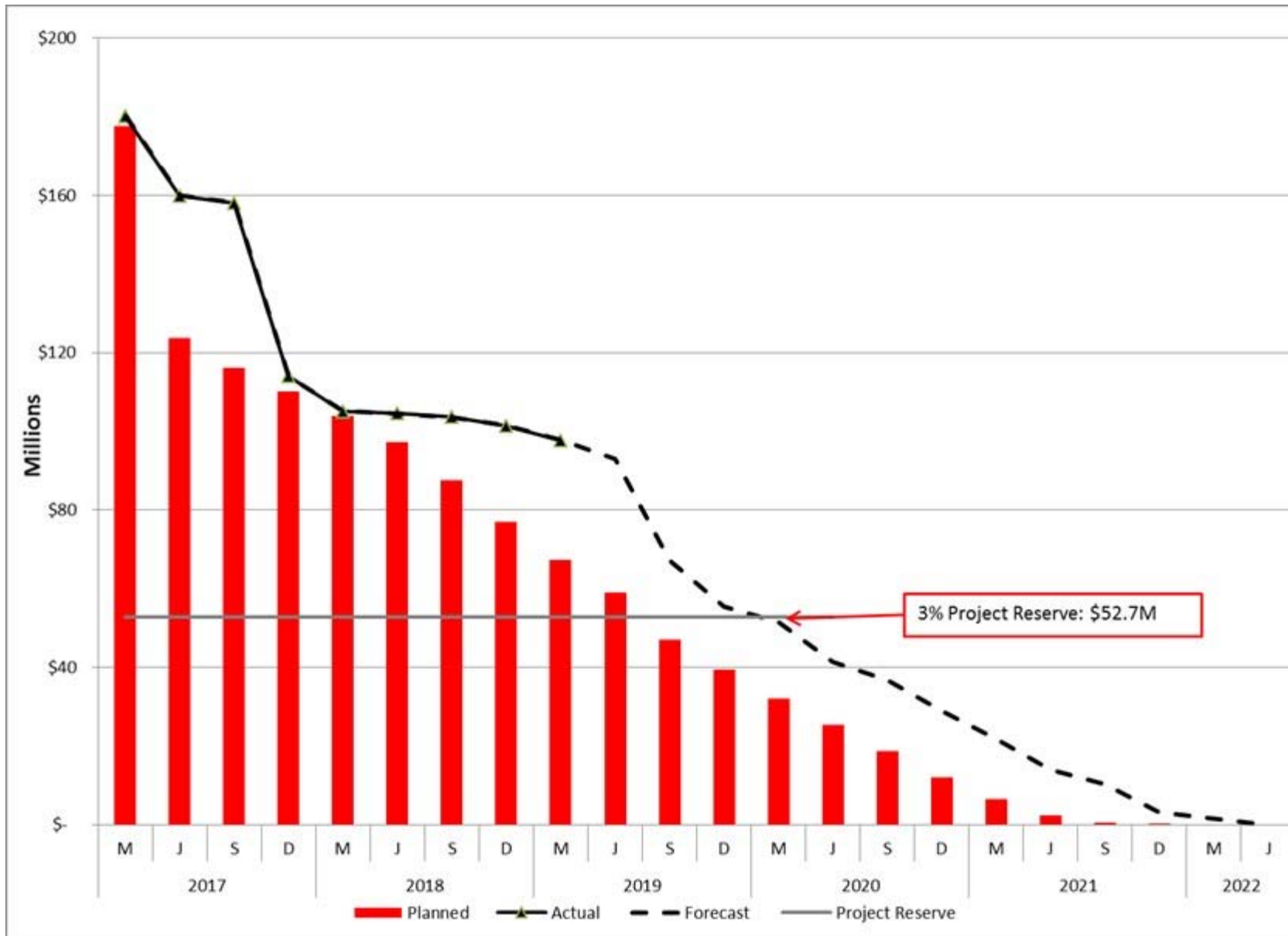
April 2019



# Regional Connector

April 2019

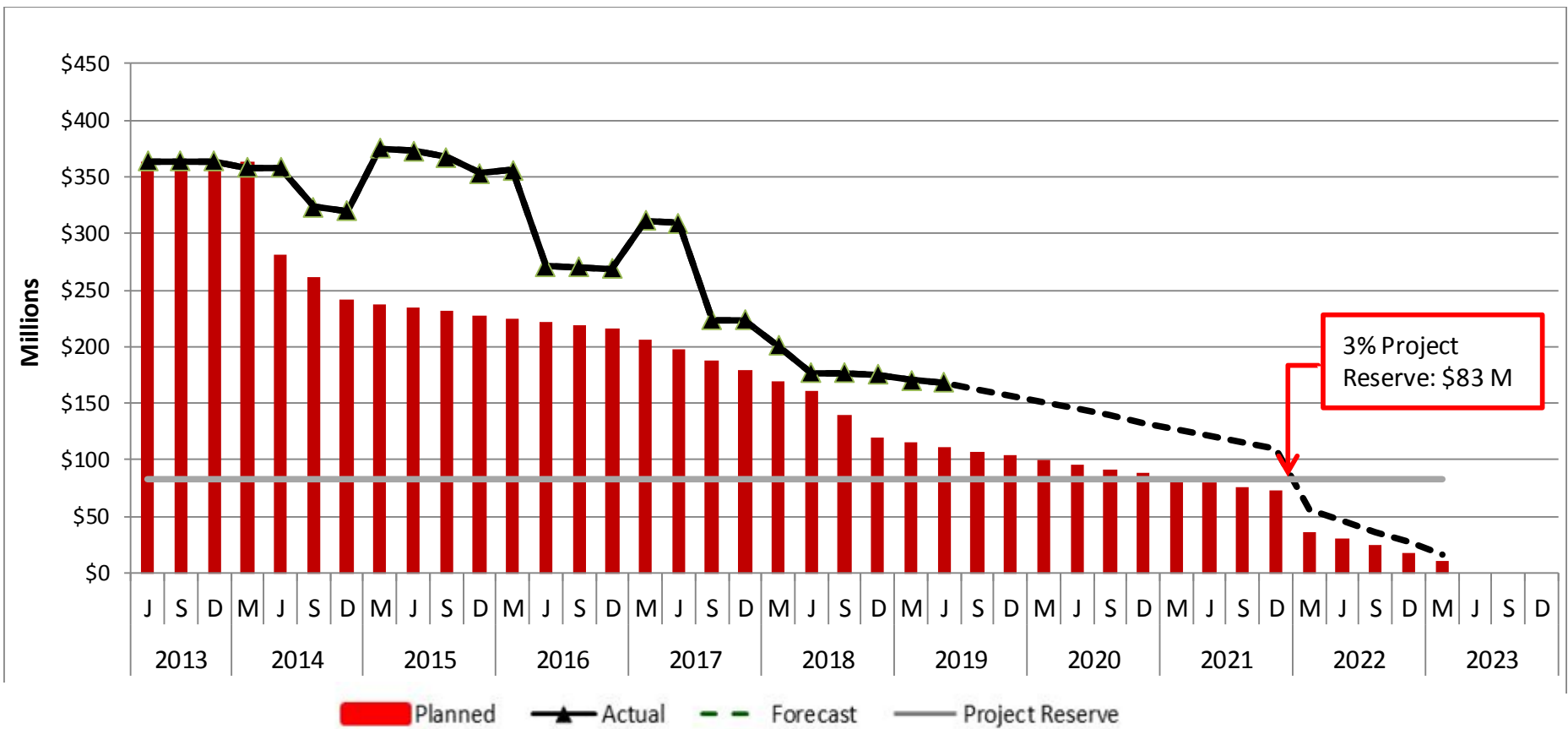
## Project Cost Contingency Drawdown



# Westside Purple Line Extension – Section 1

## Project Cost Contingency Drawdown

April 2019

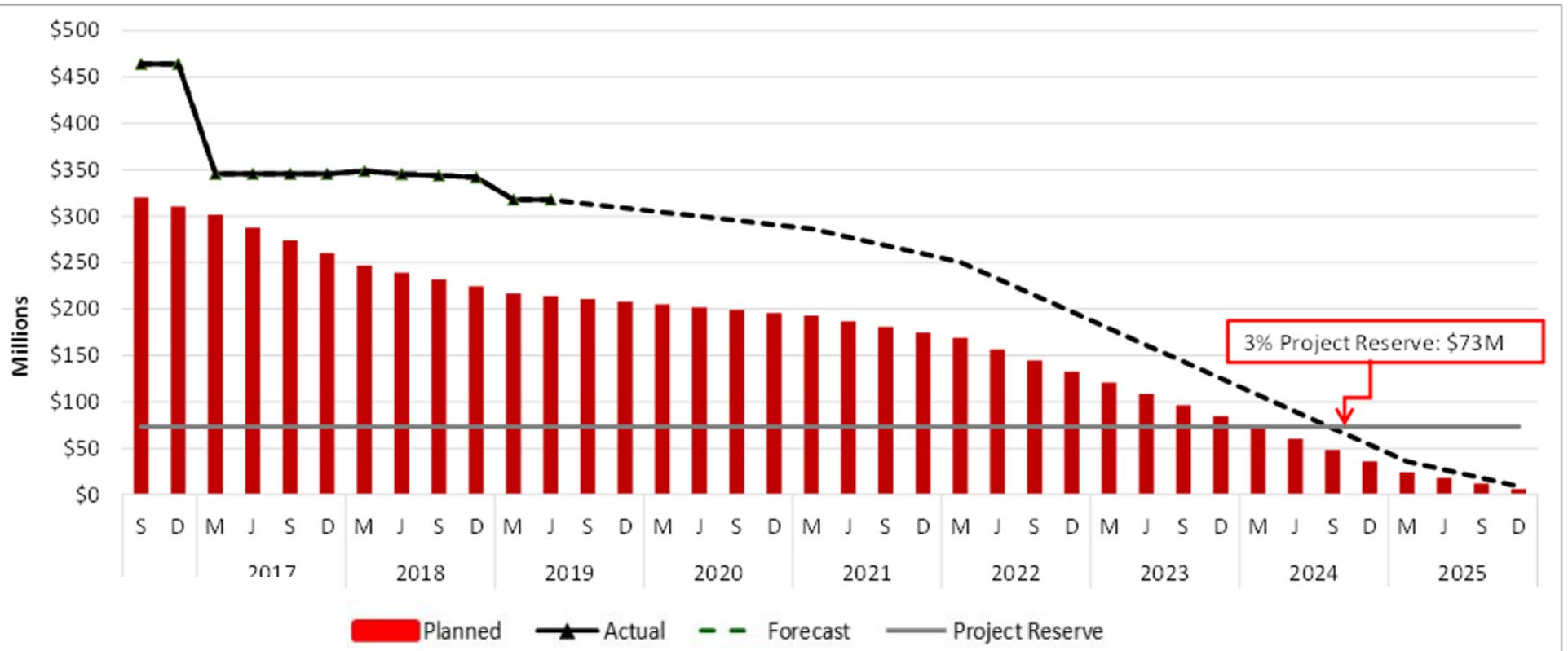




# Westside Purple Line Extension – Section 2

## Project Cost Contingency Drawdown

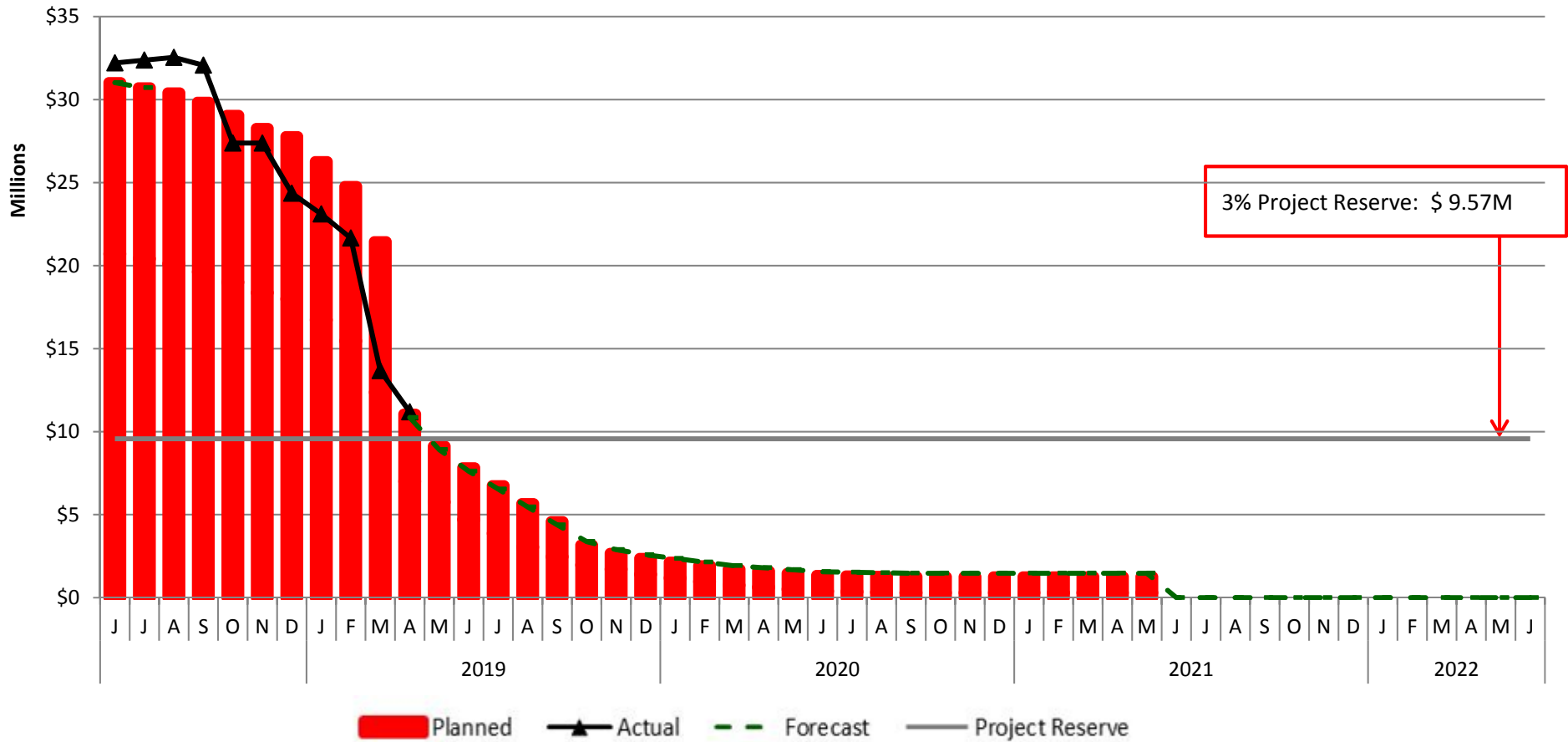
April 2019



# New Blue Projects

## Project Cost Contingency Drawdown

April 2019



- Blue Line Signal Rehabilitation
- Blue Line Track and System Refurbishment
- Willowbrook/Rosa Parks Station

# RESPONDING TO REMARKS

## (FROM MAY 2019 CONSTRUCTION COMMITTEE)

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- Metro currently has over \$18 billion of approved projects in engineering and construction.
- Staff presents an assessment of the LOP budget for projects monthly at the Construction Committee.
- LOP budget assessments are also made to the Board as part of the Annual Program Evaluation – most recently in April 2019
- As part of these assessments, staff provides challenges and risks and actions that are being taken to reduce project risks.
- Project acceleration on new projects can increase risks as well and impact cost and quality.
- Not projecting any additional increases on current projects at this time, however, these are mega-projects with significant remaining risks.

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June 2019

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On target



Possible problem



Major issue



Metro

# RESPONDING TO REMARKS

## (FROM MAY 2019 CONSTRUCTION COMMITTEE)

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- Staff also presents a Construction Market Analysis to the Board every two years. The report in 2018 concluded that over the next 5+ years, there will be more construction work than resources available.
- Program Management works closely with Planning to address any changes to cost and schedule assumptions as part of the Financial Plan forecast updates to the Board.

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June 2019

Construction Committee

Los Angeles County Metropolitan Transportation Authority



On target



Possible problem



Major issue





**Board Report**

**File #:** 2019-0064, **File Type:** Contract

**Agenda Number:** 37.

**REVISED**  
**CONSTRUCTION COMMITTEE**  
**JUNE 20, 2019**

**SUBJECT: INSPECTION OF STRUCTURES CONTRACT**

**ACTION: AWARD PROFESSIONAL SERVICE CONTRACT**

**RECOMMENDATION**

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to execute a seven-year firm fixed price Contract No. AE133246000, with Alta Vista Solutions for the inspection of Metro structures including light rail, roadway, bikeway, and busway bridges, elevated stations, subway tunnels, and retaining walls comprising a base term of five years in the amount of \$6,248,047; two, one-year options in the amount of \$665,174 for option year one and \$1,318,399 for option year two, and \$130,223 for an additional 15 inspections to accommodate additional assets that may be brought on line during the life of the contract, for a combined total of \$8,361,846<sub>3</sub> subject to the resolution of protest(s), if any; and
- B. APPROVING Contract Modification Authority specific to Contract No. AE133246000 in the amount of \$1,672,369 or 20% of the total contract value, to cover any unforeseen issues that may arise during the course of the contract.

**ISSUE**

Metro owns and operates structures that require periodic inspection to ensure public safety, and maintain reliability of the bus and rail system. There are approximately 241 structures that require on-going professional evaluation. Currently Metro’s existing staff is fully engaged and does not have the resources or specialized technical skills to carry out these tasks.

Award of this contract will enable Metro to supplement internal resources for the work detailed above, and to ensure that our inspection frequency meets the guidelines established by the National Bridge Inspection System (NBIS), and the National Rail Transit Tunnel (RTT) standards.

**DISCUSSION**

Metro executive management identified State of Good Repair as a priority for the agency. In order to

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ensure that the assets required for safe operation of the rail and bus system are kept in good repair, it is necessary to provide periodic inspections of each asset on a rolling schedule. The national standard for bridge inspection frequency recommends evaluation every three years, and the federal guidelines for rail transit tunnels recommend inspection every five years. This contract is of sufficient duration to ensure that all required inspections are performed under the scope of this authority.

### Findings

Professional engineering staff is required to perform structural evaluations, identify defects, provide recommendations to mitigate any identified flaws and provide condition assessments for Metro's Transit Asset Management (TAM) program. The firm selected demonstrates a high level of competence and experience in the technical requirements of these services. Alta Vista Solutions has put together a team of employees and expert subcontractors with the demonstrated ability to provide Metro with ratings of the structures consistent with our State of Good Repair reporting guidelines.

### **DETERMINATION OF SAFETY IMPACT**

In order to comply with Federal regulations, Metro must evaluate the condition of all structures that have a potential safety impact. The structures in this statement of work will all be inspected, assessed, and given a condition rating consistent with the Federal Transit Administration Transit Economic Requirements Model (TERM) rating scale. The ratings and identified defects will be utilized to determine the need for targeted repairs to ensure safety and continuing State of Good Repair.

### **FINANCIAL IMPACT**

The funding for 12 months of \$1,350,000 for this action is included in the FY20 budget in cost center 6821, Enterprise Transit Asset Management under projects 300022 (Rail Operations - Blue Line), 300033 (Rail Operations - Green Line), 300044 (Rail Operations - Red Line), 300055 (Gold Line), 300066 (Rail Operations - Expo Line), 301012 (Metro Orange Line) and 306001 (Operations Transportation), Account 50316 - Professional & Technical Services.

Since this is a multi-year contract, the Chief Risk, Safety and Asset Management Officer will be responsible for budgeting this expense in future years.

### Impact to Budget

Approval of this action has no impact on the FY20 budget. Future fiscal year funding for this action will come from the Enterprise, General and Internal Service funds. No other sources of funds were considered since the structure inspections exclusively support rail and bus operations.

### **ALTERNATIVES CONSIDERED**

Staff considered performing this work in-house; however, it was determined that Metro does not currently have available staff with experience and expertise in the specific disciplines required to perform this work as required.

**NEXT STEPS**

Upon Board approval of this action, staff will execute Contract No. AE133246000 with Alta Vista Solutions to provide inspections services of Metro's structures.

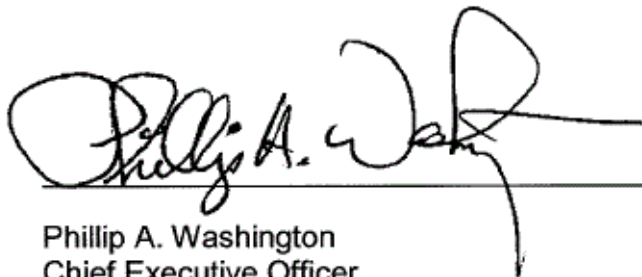
**ATTACHMENTS**

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Stephen Toms, Project Manager, Transit Asset Management, (213) 922-5548  
Denise Longley, Deputy Executive Officer, Enterprise Transit Asset Management,  
(213) 922-7294

Reviewed by: Vijay Khawani, Interim Chief Risk, Safety and Asset Management Officer, (213)  
922-4035  
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

## INSPECTION OF STRUCTURES / AE133246000

1.	<b>Contract Number: AE133246000</b>	
2.	<b>Recommended Vendor:</b> Alta Vista Solutions	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB - 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> January 24, 2019	
	<b>B. Advertised/Publicized:</b> January 24, 2019	
	<b>C. Pre-Proposal Conference:</b> February 6, 2019	
	<b>D. Proposals Due:</b> February 28, 2019	
	<b>E. Pre-Qualification Completed:</b> May 10, 2019	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> March 6, 2019	
	<b>G. Protest Period End Date:</b> June 24, 2019	
5.	<b>Solicitations Picked up/Downloaded:</b> 83	<b>Bids/Proposals Received:</b> 4
6.	<b>Contract Administrator:</b> Ernesto N. De Guzman	<b>Telephone Number:</b> (213)-922-7267
7.	<b>Project Manager:</b> Stephen Toms	<b>Telephone Number:</b> (213)-922-5548

**A. Procurement Background**

This Board Action is to approve the award of Contract No. AE133246000 to Alta Vista Solutions, for a firm-fixed price of \$8,361,846, effective July 1, 2019 to June 30, 2026, for the inspection of Metro structures, including busway bridges, subway tunnels, subway stations, aerial structures and stations within the Metro Rail line system. The contract will consist of a base period of five years, with two, one-year options, and an option for 15 additional inspections to cover assets that could be brought on-line during the life of the contract. Options will be exercised at Metro's sole determination. Board approval of contract awards are subject to the resolution of any properly submitted protest(s).

On January 24, 2019 Request for Proposals (RFP) No. AE59461 was issued as a qualifications-based competitive procurement in accordance with Metro's Acquisition Policy and the contract type is a firm-fixed price.

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

- Amendment No. 1, issued on February 7, 2019, provided updated insurance requirements, updated the list of Metro Structures to Inspect, and added further requirements to the Statement of Work;
- Amendment No. 2, issued on February 12, 2019, added item 13 to the list of solicitation exhibits (Certification of Prospective Contractor and Lower Tier Participant Regarding Debarment, Suspension, Ineligibility and Voluntary



Exclusion), and informed potential proposers of the availability of the Wayside Worker Protection course, and the Rail Safety Training course offered by Metro.

A pre-proposal conference was held on February 6, 2019 and was attended by 33 participants representing 29 firms. There were eight questions received during the questions and answers phase and responses were provided prior to the proposal due date. There were 83 potential proposers who downloaded the RFP and were included in the plan holders' list. Four proposals were received on the due date of February 28, 2019 from the following firms listed in alphabetical order:

1. ABA Global
2. Alta Vista Solutions
3. Falcon Engineering Services
4. Rail Surveyors and Engineering, Inc.

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from Metro's Transit Asset Management Department was convened and conducted a comprehensive technical evaluation of the proposals received.

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

- |   |           |
|---|-----------|
| • Past Experience and Technical Expertise | 60 points |
| • Workplan and Approach                   | 40 points |

Several factors were considered when developing these weights, giving the greatest importance to Past Experience and Technical Expertise. The evaluation criteria are appropriate for this procurement and are consistent with criteria developed for previous similar procurements. As this is an Architectural & Engineering (A&E) qualifications-based procurement, price was not used as an evaluation factor pursuant to state and federal laws.

The PET conducted its independent evaluation of the proposals from March 6 through March 19. Of the four proposals received, three were found to be technically qualified. Proposer interviews were held on March 26, 2019. The proposing firms were given an opportunity to present their teams' qualifications and understanding of the requirements of the RFP. Metro's PET also asked questions which required each firm to explain in detail their technical approach and understanding of the Statement of Work. Each proposing firm had the opportunity to explain and demonstrate their knowledge of the national bridge and tunnel rating systems, describe in detail their Quality Assurance and Quality Control (QA/QC) process, highlight innovative inspection techniques and to show their ability to meet the required schedule for final inspection reports for each structure.

At the conclusion of the interviews, the final scoring determined Alta Vista Solutions to be the highest qualified proposer.

**Qualifications Summary of Recommended Firm.**

Alta Vista is an engineering and inspection firm with more than 10 years of experience in performing structural inspections on bridges, tunnels, rail, facilities, retaining walls, large suspension bridges, and ancillary structures.

Alta Vista has successfully performed in-service structural inspections on numerous projects, including the Vincent Thomas Bridge in Los Angeles, the Doyle Drive (Presidio Parkway) tunnels in San Francisco, the Verrazano-Narrows Bridge in New York City, Grand Central Terminal Train Shed in New York City, and Stevenson Bridge in Northern California. Alta Vista is currently responsible for performing bridge inspections for the Long-Term Bridge Performance (LTBP) program, the Federal Highway Administration’s (FHWA) program to collect bridge data on more than 1,600 bridges in 42 states and used to develop reliable deterioration models.

Alta Vista’s proposal includes three DBE sub-contractor teams who specialize in structural inspections, including bridges, tunnels, tracks, platforms, and retaining walls. These teams are made up of structural engineers, structural inspectors, and professional staff who demonstrated high levels of understanding of Metro’s needs. Each team has between 10 to 25 years of experience in their field.

Alta Vista’s proposal presented the most comprehensive plan with regard to prevailing wage requirements, innovative technologies and managing through the limited availability of inspection times. Overall, Alta Vista’s proposal offered a strong leadership, the most extensive professional background in structural inspection projects, and recognition of the challenging schedules.

The following is a summary of the PET’s evaluation scores:

	<b>FIRM</b>	<b>Average Score</b>	<b>Factor Weight</b>	<b>Weighted Average Score</b>	<b>Rank</b>
1	<b>Alta Vista Solutions</b>				
2	Past Experience and Technical Expertise	76.10	60%	45.66	
3	Workplan and Approach	79.42	40%	31.77	
4	<b>Total</b>		<b>100.00%</b>	<b>77.43</b>	<b>1</b>

5	<b>Falcon Engineering Services</b>				
6	Past Experience and Technical Expertise	57.21	60%	34.33	
7	Workplan and Approach	53.32	40%	21.33	
8	<b>Total</b>		<b>100.00%</b>	<b>55.66</b>	<b>2</b>
9	<b>Rail Surveyors and Engineering</b>				
10	Past Experience and Technical Expertise	65.21	60%	39.13	
11	Workplan and Approach	32.78	40%	13.11	
12	<b>Total</b>		<b>100.00%</b>	<b>52.24</b>	<b>3</b>

### C. Cost/Price Analysis

The negotiated amount of \$8,361,846 is \$3,698,876 above Metro's original Independent Cost Estimate (ICE) of \$4,662,970. However, the original ICE had been underestimated as it inadvertently did not include the two option years and the fifteen (15) supplemental inspections. Furthermore, subsequent to the development of the ICE, a major change occurred in track availability for inspections. Metro's rail procedures for track allocation had changed resulting in a significant impact to inspection availability which will require the contractor to spend additional hours of travel, scheduling, and standby to fully meet the requirements of the contract. Much of this time will be subject to overtime wages as determined by the Department of Industrial Relations. Therefore, the initial ICE was re-evaluated to include these costs and added corresponding hours for administrative project management and labor compliance. The adjusted ICE including all of the above adjustments is \$8,326,705.

When compared with the adjusted ICE of \$8,326,705 and after a cost analysis, technical evaluation, fact finding, clarifications and negotiations, the negotiated contract amount of \$8,361,846 is considered fair and reasonable.

	<b>Proposer Name</b>	<b>Proposed Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
1.	Alta Vista Solutions	\$13,983,233	<b>\$4,662,970</b>	<b>\$8,361,846</b>

**D. Background on Recommended Contractor**

The recommended firm, Alta Vista Solutions, is an engineering and structural inspection firm with a location in the City of Los Angeles. The firm has spent the last ten years performing structural inspections on bridges, tunnels, rail facilities, and ancillary structures nationwide.

## DEOD SUMMARY

## INSPECTION OF STRUCTURES / AE133246000

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 27% Disadvantaged Business Enterprise (DBE) goal for this solicitation. Alta Vista Solutions exceeded the goal by making a 27.52% DBE commitment.

<b>Small Business Goal</b>	<b>27% DBE</b>	<b>Small Business Commitment</b>	<b>27.52% DBE</b>
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	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Committed</b>
1.	Morgner Construction Management	Hispanic American	19.58%
2.	Mammoth Associates, LLC	Caucasian Female	7.94%
3.	Southstar Engineering & Consulting, Inc.	Hispanic American	TBD
	<b>Total Commitment</b>		<b>27.52%</b>

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

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

**C. Prevailing Wage Applicability**

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

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.



## Board Report

File #: 2019-0380, File Type: Contract

Agenda Number: 38.

### CONSTRUCTION COMMITTEE JUNE 20, 2019

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

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 3 to Contract No. PS2890900 with Del Richardson & Associates, Inc. (DRA) for professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC) in an amount not to exceed \$582,117, increasing the total contract value from \$949,008 to \$1,531,125 and extending the period of performance for up to two years; and
- B. RECEIVE AND FILE the status report of the Crenshaw/LAX BSC.

#### **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 between 48th and 60th Streets during the four-year term of the Crenshaw/LAX Transit Line Project. Since adoption of Motion 79 and implementation of the BSC, Metro has expanded the BSC to provide an increased level of services along the Crenshaw/LAX 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. 3 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.

#### **BACKGROUND**

Upon Board authorization in 2014, Metro staff and contractor, Del Richardson & Associates, Inc., soft launched the BSC in December 2014 and formally launched the program in February 2015.

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Recognizing the BSC is a first-ever pilot program for Metro, staff has provided ongoing review and assessment of the program. After providing two years of support to small businesses along the Crenshaw/LAX corridor, in January 2016 Metro staff conducted a comprehensive program assessment. This included feedback from business owners about their experience and interactions with the BSC through a facilitated focus group, review of the program model with Metro project staff and the contractor through a facilitated project review meeting, review of the original report entitled "Recommendations for a Pilot Metro Business Solutions Center", and an assessment of program metrics such as the number of businesses along the project alignment seeking support services, the number of businesses within the BSC target area of 48th - 60th Street and external to the target area, and the areas of services, including the client demographic data. In addition, Metro staff conducted market research interviews with five small business service providers to obtain best practices and industry standards for small business assistance programs.

The program model for Metro's pilot BSC was developed through the framework outlined in the "Recommendations for a Pilot Metro Business Solutions Center" and Motion 79 that recommended the BSC provide business assistance including expert business advice, technical assistance and other focused resources for businesses in the target area of 48th - 60th Street based on construction activity of the at-grade portion of the transit rail project. As a result, the original scope of work provided focused resources such as hands-on case-management only for small businesses in the BSC target area.

Through the information, observations and lessons learned obtained during the comprehensive program assessment, as well as recognizing that more than 60% of small businesses seeking support services were outside of the predefined BSC target area, staff made enhancements to the program model and scope of work.

The result was a re-scope of the pilot program model and contract scope of work. Re-scoping the program model and contract scope of work enhanced the level of services provided to businesses located outside the target area (48th - 60th Street) along the Crenshaw Corridor, including focused one-on-one support or case management. A new re-scoped two-year contract was competitively solicited and awarded to the incumbent, Del Richardson & Associates in October 2016.

The objective of the pilot program re-scoping was to operate the pilot BSC inclusive of: (1) one-on-one focused client services for small and micro businesses located along the Corridor, (2) access to services via multiple avenues including a field and virtual (web based) presence, and (3) an outreach program for small and micro businesses on the Corridor to facilitate the utilization of available services and resources including access to other business experts and resource providers referred through the BSC. The new program model afforded Metro and the Contractor to perform one-on-one client services and outreach functions for all small businesses along the Crenshaw/LAX Transit corridor, regardless of location.

## **DISCUSSION**

The Pilot BSC program has been operational for nearly five 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 Q4 2018:

Total number of businesses contacted:	460
Number of businesses completing intake/ assessment:	351
Number of businesses receiving referrals:	333
Number of referrals to resource providers and/or services:	1127

Following is a summary of various BSC measures of effectiveness as of Q4 2018:

- 88% BSC clients engaged in services post intake/assessment
- 76% Businesses sustained in operations six months post BSC intake
- 75% Businesses sustained in operations 12 months post BSC intake.

Recognizing the BSC services were expanded since the inception of the original pilot program, small businesses beyond the targeted area of 48th to 60th street have been able to access business support services. The following information summarizes the small business clients' areas of service as of Q4 2018:

**Top Five Areas of Service:**

- 24% Financial services/ Metro's Business Interruption Fund
- 22% Business development
- 20% Marketing
- 20% Social media and website
- 6% Accounting management

Metro will continue to support the small business community through the continued operations of the BSC throughout construction of the Crenshaw/LAX Transit Project and early operations of the new transit services. The BSC will continue to support small businesses including focusing efforts to sustain businesses through ongoing access to support services, business education and small business experts. Additionally, the BSC's contracted program administrator will continue to provide one-on-one client services to prepare businesses for the close-out of the BSC and the opening of the Crenshaw/LAX line. Recognizing the need to begin to prepare BSC clients for the center's transition and the realization of economic opportunities that may result from the new transit rail service, the BSC staff will provide focused client services for businesses that are sustaining/stable and businesses requiring additional support. Support in these two business categories will allow the BSC to provide targeted services such as: development of client transition plans focused on long-term business planning; identification of actions and/or business solutions aligned to the client transition plans; business retention as well as referrals to business experts and resources for support post-operations of Metro's BSC.



Moreover, 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**

Metro Board of Directors directed staff to identify eligible annual funds to support the annually funded pilot program. The administrative cost for the implementation of the pilot program is allocated from Measure R Administration funds. Vendor/Contract Management will be responsible for budgeting funds for FY20 and FY21 in Cost Center 0691Non-Departmental Procurement; Project Number 100055, Project Name - Admin-Measure R; Task No. 05.01 and Task Name Crenshaw BSC.

#### **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. 3 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. 3 to Contract No. PS2890900 with Del Richardson and Associates, Inc. to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project BSC.

**ATTACHMENTS**

Attachment A - Motion 79

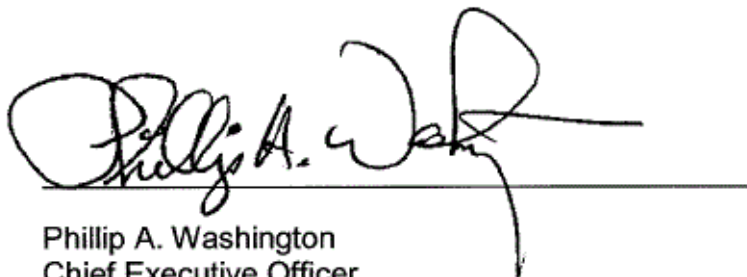
Attachment B - Procurement Summary

Attachment C - Contract Modification/Change Order Log

Attachment D - DEOD Summary

Prepared by: Jessica Spearman, Sr. Transportation Planner, Diversity and Economic Opportunity, Vendor/Contract Management, (213) 418-3266  
Shalonda Baldwin, Interim Executive Officer, Diversity and Economic Opportunity, Vendor/Contract Management, (213) 418-3265

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



Phillip A. Washington  
Chief Executive Officer

**Motion by Supervisor Mark Ridley-Thomas, Mayor Eric Garcetti and Director  
Jacquelyn Dupont-Walker**

**Implementation of a Pilot Business Solution Center for the Crenshaw/LAX Line  
Relates to Item 79**

**July 24, 2014**

Since construction began on the Crenshaw/LAX Line Project (the Project) earlier this year, doing business on the Crenshaw Corridor (the Corridor) has become more challenging for businesses and patrons. Many businesses are already experiencing significant impacts created by construction activities, specifically at the intersections of Crenshaw Boulevard and Martin Luther King Jr. Boulevard and Exposition Boulevard where work is underway to lay the groundwork for future underground stations. Businesses between 48<sup>th</sup> Street and 60<sup>th</sup> Street, where the line will run at-grade, are also anticipated to face significant challenges when construction begins on that segment.

Under both Federal and State law, Metro is prevented from providing direct cash subsidies to businesses unless access to the business is denied due to construction impacts. While this has not technically been the case on the Corridor, there is a clear nexus between construction activities and reduced business activity, especially the walk-in traffic that many of the retail businesses rely on.

In April 2014, Metro retained a consultant to assess and provide recommendations on how to address the economic impacts of construction activities on small businesses on the Corridor. The consultant's report encourages the development of a pilot Business Solution Center that would provide direct sector-specific technical assistance to businesses along the Corridor to help them through construction activities. Services that could be provided to businesses include financial planning and advice on small business operations as well as dealing with municipal permits and regulations, legal assistance, marketing and grant/loan application management. The consultant specifically suggests that a pilot effort be established to provide proactive and hands-on business assistance to support the over 100 businesses at the at-grade portion of the

Project between 48<sup>th</sup> and 60<sup>th</sup> Streets, as well as a walk-in location along the Corridor for which businesses along the entire rail alignment can receive information, resources and referrals.

The establishment of a Business Solution Center would meaningfully enhance Metro's construction and external relations protocol. While serving as a relatively nominal financial investment for Metro, it would go a long way in helping to build the capacity of small businesses to survive the construction period and ultimately contribute to a vibrant transit corridor upon completion of the Line. If the Metro Board wants to pursue future funding measures to fully build out the system, it will be fundamental that we demonstrate to local small businesses that we are a committed partner during construction periods. This pilot Business Solution Center can serve as a model for such an effort, and to do so, it is essential that Metro partner with a capable and well established service provider to roll-out these services as quickly as possible. Furthermore, it is consistent with Metro's Construction Impact Response Program (CIRP) which was developed in response to construction on the Gold and Red Lines in the 1990s. The CIRP program provided various forms of relief for businesses including economic support and rapid response teams. These resources should also be made available for the Crenshaw Corridor.

The pilot Business Solution Center would also complement Metro's other ongoing efforts to address business' needs during construction. For example, Metro continues to modify construction signage based on the feedback of surrounding business' to highlight the names of businesses, parking locations and to clarify that businesses are open during construction. In addition, Metro is finalizing a communications strategy to promote an "Eat, Shop and Play Local" campaign during construction.

**WE THEREFORE MOVE THAT THE BOARD OF DIRECTORS:**

1. Receive and file the "Recommendations for a Pilot Metro Business Solution Center";

## ATTACHMENT B

2. Authorize the CEO to immediately solicit proposals to establish a Pilot Metro Business Services Center along the Crenshaw Corridor that includes a physical presence with consistent staffing hours for the duration of the construction of the Crenshaw/LAX Line, as well as a Business Solutions Outreach Strategy for the at-grade portion of the alignment on Crenshaw between 48<sup>th</sup> and 60<sup>th</sup> Streets and other locations that are determined to be significantly impacted by construction activities, and authorize the CEO to execute a contract with the most responsive and qualified bidder, with the objective of beginning operations by October 2014;
3. Direct the CEO to identify up to \$250,000 and amend the current budget to fund the initial year activities, with an overall project budget expected to be approximately \$1,000,000, to be included in future budgets for fiscal year 2016, 2017 and 2018 at \$250,000 per year;
4. Direct the CEO to report back in September on a plan to utilize existing Full-Time Equivalent position(s) to staff the Business Solutions Center.
5. Direct the CEO to incorporate the following elements into the Pilot Business Solution Center Program:
  - a. A single point-of-contact or case management approach for each business; and
  - b. A 72 hour quick response plan.
6. Direct the CEO to establish an additional mitigation menu and criteria based on MTA's previous Construction Impact Response Program that includes:
  - a. Marketing campaigns for impacted businesses;
  - b. Rent and mortgage subsidies to businesses;
  - c. A low-interest loan fund that is accessible to small and micro-businesses;
  - d. Report back to the Board in September with funding recommendations;
7. Direct the CEO to report back on a Post-Construction Façade Improvement Program in conjunction with the approved Design-Build Contract for the Crenshaw/LAX Transit Line;
8. Direct the CEO to report back on the feasibility of establishing Memorandums of Understanding with local business and community stakeholder groups, as has been

done in Denver, Colorado, to ensure that we are maximizing community involvement and engagement as it relates to construction activities;

9. Direct the Diversity and Economic Opportunity Department to manage and oversee the Business Solution Center Project; and
10. Provide quarterly updates to the Executive Management and Construction Committees on the Pilot Business Solution Center and the “Eat, Shop and Play Local” campaign beginning in September 2014.

## PROCUREMENT SUMMARY

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

<b>1.</b>	<b>Contract Number:</b> PS2890900		
<b>2.</b>	<b>Contractor:</b> Del Richardson & Associates, Inc.		
<b>3.</b>	<b>Mod. Work Description:</b> Professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC)		
<b>4.</b>	<b>Contract Work Description:</b> Professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project BSC		
<b>5.</b>	<b>The following data is current as of:</b> 5/1/19		
<b>6.</b>	<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> \$100,000
	<b>Original Complete Date:</b>	11/02/2018	<b>Pending Modifications (including this action):</b> \$582,117
	<b>Current Est. Complete Date:</b>	07/03/2021	<b>Current Contract Value (with this action):</b> \$1,531,125
<b>7.</b>	<b>Contract Administrator:</b> Lily Lopez		<b>Telephone Number:</b> (213) 922-4639
<b>8.</b>	<b>Project Manager:</b> Shalonda Baldwin		<b>Telephone Number:</b> (213) 418-3265

**A. Procurement Background**

This Board Action is to approve Contract Modification No. 3 issued for professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC) for up to an additional two years 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. in the amount of \$849,008 to operate the Metro Pilot Crenshaw/LAX Transit Project BSC.

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

**B. Cost Analysis**

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate (ICE), technical analysis, a cost analysis, fact finding, and negotiations. Some direct labor rates were re-negotiated to current market rates and fee remained unchanged.

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
\$620,696	\$392,166	<b>\$582,117</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. Metro did not adequately estimate the anticipated level of effort that such a program would require to provide focused client support in preparation of the BSC’s transition and close-out due to the unique attributes of the project and the technical and expert level of services that are performed to deliver an adequate level of support to more than 300 diverse small businesses; services within various functional areas such as information technology, web design and social media related services to support businesses in the development of e-platforms, business websites and e-commerce systems including business planning and other areas related to business sustainability.

Metro staff successfully negotiated a cost savings of \$38,579 from the proposed price.



**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 through May 6, 2019.	Approved	10/31/2018	\$100,000
2	Addition of DVBE subcontractor and extension of period of performance through July 2, 2019.	Approved	04/18/2019	\$0
3	<b>Ongoing implementation of the BSC and extension of period of performance through July 3, 2021.</b>	<b>Pending</b>	<b>Pending</b>	<b>\$582,117</b>
	<b>Modification Total:</b>			<b>\$682,117</b>
	<b>Original Contract:</b>		11/03/2016	<b>\$849,008</b>
	<b>Total:</b>			<b>\$1,531,125</b>

## DEOD SUMMARY

**Metro Pilot Crenshaw/LAX Transit Project  
Business Solutions Center / PS2890900**

**A. Small Business Participation**

Del Richardson & Associates, Inc., an SBE Prime, made a 62.37% Small Business Enterprise (SBE) and a 3.09% Disabled Veteran Business Enterprise (DVBE) commitment. The project is 75% complete. SBE participation is at 59.71%, representing a 2.66% SBE shortfall. Del Richardson & Associates, Inc. explained that it will meet or exceed its SBE participation on the proposed modification work it will perform with its own workforce. Del Richardson & Associates, Inc. is exceeding its DVBE participation at 3.89%. Furthermore, the Prime has listed an additional DVBE firm to perform a new scope of work that identified in this proposed modification. The Prime expects to meet or exceed both the SBE and DVBE commitments at the end of the contract.

Notwithstanding, Metro Project Managers and Contract Administrators, will work in conjunction with DEOD to ensure that Del Richardson & Associates, In. is on schedule to meet or exceed its SBE/DVBE commitment. If Del Richardson & Associates, Inc. is not on track to meet its small business commitment, Metro staff will request that firm submit an updated mitigation plan. Additionally, key stakeholders associated with the contract have been provided access to Metro's tracking and monitoring system to ensure that all parties are actively tracking Small Business progress.

<b>Small Business Commitment</b>	<b>SBE 62.37%</b> <b>DVBE 3.09%</b>	<b>Small Business Participation</b>	<b>SBE 59.71%</b> <b>DVBE 3.89%</b>
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	<b>SBE Prime</b>	<b>% Commitment</b>	<b>% Participation<sup>1</sup></b>
1.	Del Richardson & Associates, Inc.	62.37%	59.71%
	<b>Totals</b>	<b>62.37%</b>	<b>59.71%</b>

	<b>DVBE Subcontractors</b>	<b>% Commitment</b>	<b>% Participation<sup>1</sup></b>
1.	It Is, LLC	3.09%	3.89%
2.	Servexo	ADDED	0%
	<b>Totals</b>	<b>3.09%</b>	<b>3.89%</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 (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.

# **Metro Pilot Crenshaw/LAX Transit Project Business Solution Center**



Construction Committee  
June 20, 2019

# Pilot Program Goal

- ***Metro's Goal: Help small businesses continue to thrive throughout construction and post construction.***
- Immediate, hands-on business assistance and support services to small businesses along the Crenshaw/LAX Transit Project.
- Services include technical assistance, business development and referrals to partnering business resource providers.

# Program History

- **Metro's first-ever pilot business resource center:**
  - Board Authorization: July 2014
  - BSC soft launch: December 2014
  - BSC formal launch: February 2015
  - Pilot program model re-scope: October 2016

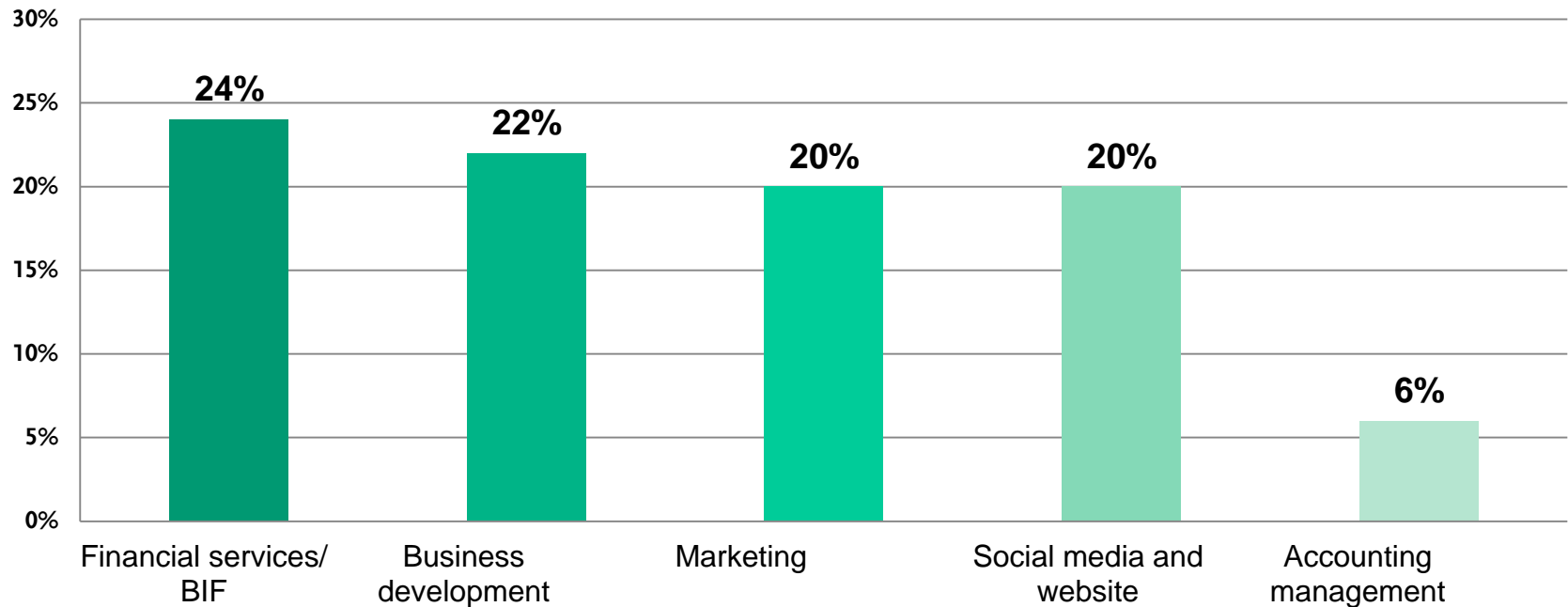
# Facts at a Glance

- **As of December 2018:**

- More than 450 businesses contacted
- Over than 350 businesses completed intake/assessment
- More than 300 business referred to resource providers, small business experts and/or other service providers
- More than 1,100 business referrals

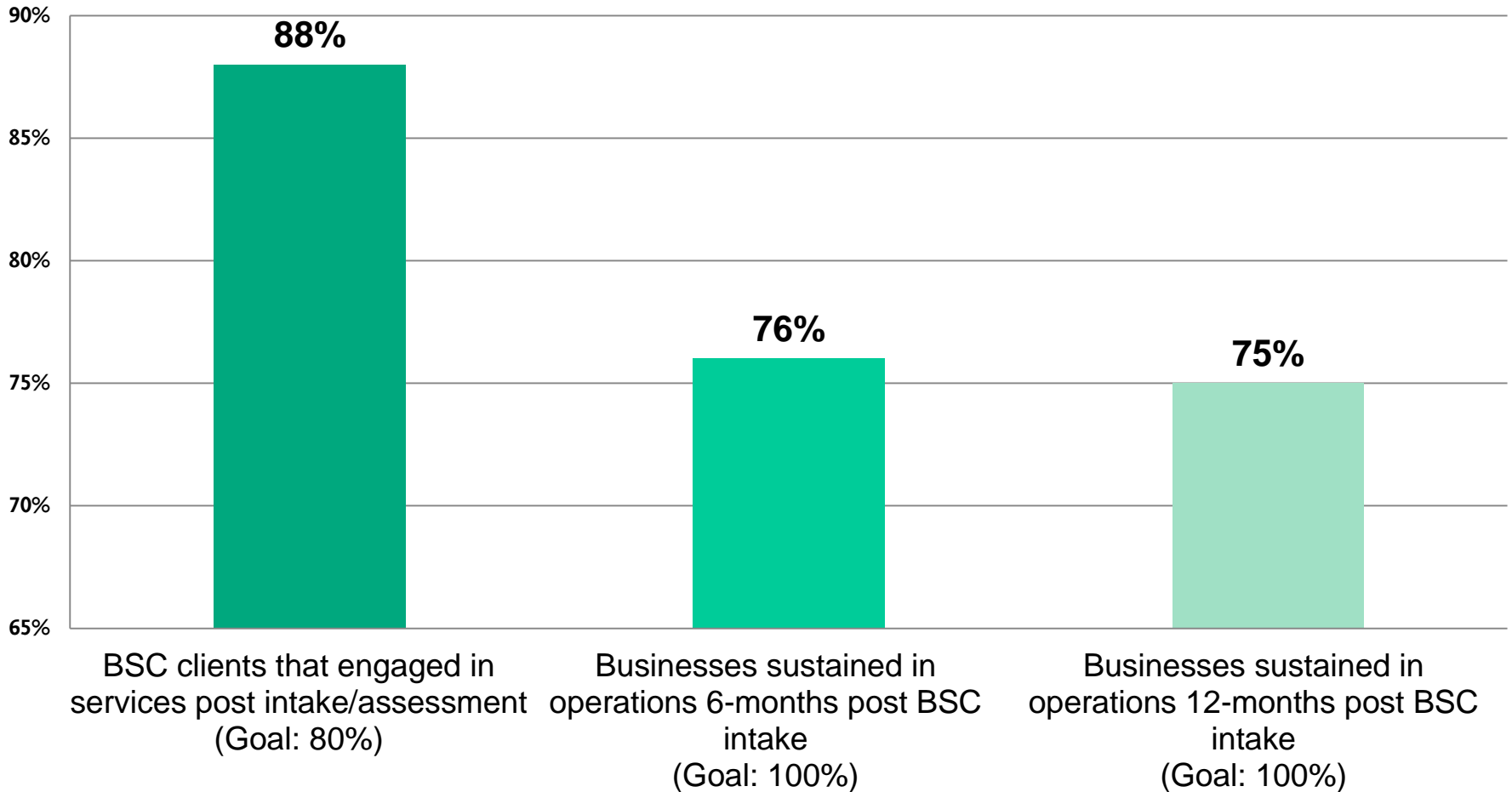
# Areas of Service

## Top Five Areas of Service - Alignment





# Measures of Effectiveness



# Business Spotlight



“The Metro Business Solutions has been very instrumental in assisting Jordan's Hot Dogs. The BSC has and continues to provide much needed help with grant funding, website design, social media, advocacy and a host of other support services. Most importantly staff are honest, knowledgeable, and available to assist when needed. Thank you Metro Business Solution Center.”

Cary Jordan, Owner

# Business Spotlight



"I would like to thank the Metro Business Solution Center for all the support provided during the construction of the Metro line. We truly appreciate the assistance. On behalf of Shop & Save, I thank you."

Mayra Hernandez, Owner

# Next Steps

- Execution of contract modification
- Ongoing focused support services for small businesses engaged in the BSC focusing on client transition plans, long-term business planning and actionable business solutions
- Continue proactive oversight and assessment of the pilot program during the final term of the center's operations
- Implement final program events/ activities in preparation for transition Pilot BSC and opening of Crenshaw/LAX line



**Thank you**

**Board Report**

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**File #:** 2019-0397, **File Type:** Program**Agenda Number:** 39.

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**CONSTRUCTION COMMITTEE  
JUNE 20, 2019****SUBJECT: METRO SUSTAINABLE ACQUISITION PROGRAM****ACTION: AUTHORIZE PROGRAM IMPLEMENTATION****RECOMMENDATION**

AUTHORIZE the implementation of an enterprise-wide Metro Sustainable Acquisition Program.

**ISSUE**

Sustainability is a core value at Metro and our agency is committed to ensuring that our public transportation system is planned, built, operated, and maintained in a way that encourages beneficial and restorative changes to local communities and the environment. The 2009 Board adopted Environmental Policy commits Metro to “applying sustainable principles and practices in our planning, construction, operations, and procurement to protect the environment for present and future generations.” This policy principle acknowledges the social and environmental impacts that exist within Metro’s supply chain and commits to the taking of steps to mitigate those impacts by integrating sustainability principles into the Agency’s acquisition activities as close to cost neutral as possible. Implementation of the commitments resulting from the 2016 Board Motion 57: *Environmental & Sustainability Efforts to Further Metro’s Goals to Reduce Emissions, Clean the Air & Improve Urban Areas* would be further enhanced by a sustainable acquisition program.

**BACKGROUND**

Metro has already implemented a robust Disadvantaged Business Enterprise and Small Business Enterprise (DBE/SBE) program that incorporates many ‘social’ considerations into Metro’s acquisition processes. Through this Board action, Metro will enhance the agency’s ‘green’ acquisition practices to ensure that environmental principles consistently inform acquisition decisions. The Sustainable Acquisition Program (Program) provides for a more structured and comprehensive approach to considering the environmental, social, and ethical impacts of the agency’s acquisition activities. The Program will operationalize commitments in Metro’s Environmental Policy, advance Metro’s sustainability initiatives, and continue Metro’s leadership on sustainability both regionally and among transit agencies nationally. This effort is consistent with current Federal and State directives to public agencies to consider the environmental impacts of products purchased, such as California’s AB 262:

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Buy Clean California Act and those that are required by code such as the California Green Building Code.

The Sustainable Acquisition Program Framework discussed herein outlines the program approach, development process, and how Metro will leverage internal procedures to achieve our sustainability objectives contained within Metro Policies and commitments outlined in the staff response to the 2016 Board Motion 57.

## **DISCUSSION**

Sustainable acquisition is a holistic strategy that adds considerations for the environmental, ethical, and social impacts of an organization's supply chain to the acquisition planning and selection criteria of price, quality, and functionality. Metro's Sustainable Acquisition Program will consider the direct social and environmental impacts of products and services, as well as the operational practices of vendors along key points in the supply chain, for Metro's three primary acquisition areas: Supply Chain, Professional Services, and Construction.

In the Fall of 2018, a baseline assessment was conducted on Metro's existing policies, specifications, processes, and programs to determine the current state of Metro's sustainable acquisition activities. Interviews were conducted with end users throughout the organization to identify existing sustainable acquisition achievements, challenges, and opportunities. This assessment concluded that there are numerous "ad-hoc" examples of successful sustainable acquisition across the Agency, such as fleet electrification, green cleaning chemicals, and the use of renewable natural gas. Metro has an opportunity to enhance its impact in these areas by creating a comprehensive Sustainable Acquisition Program that will connect existing initiatives.

Metro's Sustainable Acquisition Program will utilize a top-down, enterprise-wide approach to implement tools and processes that ensure social and environmental considerations and regularly inform the agency's acquisition decisions. A Three-Year Implementation Strategy has been developed and outlines the program goals that will guide program implementation.

### **Program Vision**

*Acquisition at Metro is a catalyst for social and environmental innovation in the transportation industry, leading to a low carbon, circular, and inclusive economy.*

### **Three Year Program Goals**

**Goal 1:** Metro will build a best practice Sustainable Acquisition Program that aligns with established standards and is recognized within its industry.

**Goal 2:** Sustainability will be regularly and meaningfully incorporated within specifications or considered as an element of acquisition decision-making criteria.

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**Goal 3:** Metro will see improved sustainable performance and positive social impacts as a result of acquisition activities, particularly in the areas of waste reduction and recycling, GHG reductions, energy efficiency, water, and resource conservation.

This approach to acquisition will help protect the agency from potential supply chain and regulatory risks and will pave the way for eco-efficiency benefits, improved employee engagement, and supplier innovation.

### **DETERMINATION OF SAFETY IMPACT**

Metro already has processes in place to ensure the safety of all new services and supplies acquired for use. The Sustainable Acquisition Program will align with, and in some cases enhance, the existing processes to consider safety in the acquisition decision making process. The Sustainable Acquisition Program is also expected to improve safety and security for employees and customers by reducing toxic materials, improving air quality, and supporting local economic development.

### **FINANCIAL IMPACT**

The funding for the implementation of this program for the remainder of FY19 is included in Project 450002, 1.01, Sustainable Design Guidelines and Policy Implementation, Cost Center 8420.

Since this is a multi-year program, the cost center manager and Chief Program Management Officer will be responsible for budgeting for costs in future years.

#### **Impact to Budget**

The financial goal of Metro's Sustainable Acquisition Program is to incorporate the principles in all acquisition and procurement activities to as close to cost-neutral to the agency as possible. The specific impacts will be assessed on an acquisition by acquisition basis, as implementation is phased -in over three or more years. Metro remains committed to fiscal responsibility and can use a lifecycle assessment approach to analyze acquisition options and find the most cost-effective and cost-efficient alternatives.

The Program will also provide a proactive and structured process for considering sustainability alternatives up front and integrate them into budgeting, specification development, technical requirements, and the construction planning-design-engineering process. This strategy mitigates the potential cost increases of adding these principles later in a project or product life cycle.

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

The Program supports the implementation of Metro's Strategic Plan Goals, with specific alignment to:



Initiative 5.2 - Exercise good public policy judgment and sound fiscal stewardship;

Initiative 5.4 - Apply prudent commercial business practices to create a more effective agency;

Initiative 5.5 - Expand opportunities for businesses and external organizations to work for Metro.

The Sustainable Acquisition Program will support these strategic goals by:

- 1) Aligning with Federal and State sustainable procurement directives;
- 2) Generating cost-savings and reducing the prevalence and cost of change orders to retroactively incorporate sustainability considerations;
- 3) Improving organizational efficiency and safety by improving the process for integrating sustainability considerations into the acquisition process; and;
- 4) Supporting the ongoing DEOD programs to create business opportunities in the local community.

**Proposed Approach (Direction & Decentralized Model):** The proposed Sustainable Acquisition Program approach is based on a directional and decentralized program model, which allows each acquisition to determine program applicability and relevant considerations individually. This approach was developed through collaboration between Vendor Contract Management and the Environmental Compliance and Sustainability Departments, with substantial input from Metro departments and stakeholders. The proposed approach also incorporates industry-standard best practices and lessons -learned from other transit and public agency programs. These considerations played a key role in forming the program structure and establishing the following foundational program principles:

- The new program requirements must not increase acquisition cycle time;
- Any new procedures must be easy to follow and integrate with the existing acquisition processes and must not conflict with Acquisition Policies and Procedures;
- The program must not limit open and fair competition among the vendor community.

### **ALTERNATIVES CONSIDERED**

The following alternative options were considered during the development of this program, but are not recommended:

**Alternative 1 (Status Quo Approach):** No change to current practices and sustainable acquisition efforts will continue in an ad-hoc or opportunistic manner only, which has proven to be successful in

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many instances. This approach lacks a lifecycle-driven sustainable acquisition program, Metro could be paying a premium to implement sustainable measures retroactively and/or sustainable opportunities could be missed or deemed less important.

**Alternative 2 (Prescriptive Approach):** A “prescriptive” program is the opposite of a “directional” program. A prescription approach pre-sets the requirements for sustainability whereas a directional approach identifies the direction the organization wants to head, using goals and objectives that are set and measured on an annual basis. In practice, a prescriptive approach would rely exclusively on specific standards or specifications for targeted product/service categories, which are continually evolving and changing. A directional approach would use the ingenuity of Metro and our network of consultants, contractors, and suppliers to determine the best sustainable solution for each acquisition. A directional approach is preferred as it will drive innovation.

**Alternative 3 (Centralized Approach):** A centralized program approach would rely on subject matter experts within Metro to champion the Sustainable Acquisition Program for the entire organization. Conversely, the recommended decentralized approach will have employees throughout the organization championing and contemplating sustainable options for acquisitions and other activities related to operations and construction.

A direction and decentralized Sustainable Acquisition Program will allow all our stakeholders to be a part of the solution, achieve desired procurement and acquisition outcomes, while ensuring that our agency’s sustainability goals are achieved.

Staff presented the principles of the Sustainability Acquisition Program to the Metro Sustainability Council in November 2018 and January 2019; and had requested input for incorporation into the final Sustainability Acquisition Program Framework report in March and April 2019. Staff did not receive any comments.

## **NEXT STEPS**

On Board approval, staff will proceed with the implementation of the Sustainable Acquisition Program that includes:

1. Staff resourcing;
2. Development and implementation of a Sustainable Acquisition Program Communication Plan;
3. Creation of a Metro Sustainable Acquisition Working Group;
4. Identification of opportunities to implement the sustainable acquisition principles and implement in those procurements;
5. Creation of training strategy and materials for internal and external stakeholders and vendors.

During implementation, staff will continue to build out the program tools, processes and procedures, and staff engagement/training, reporting, and monitoring. This set of implementation tactics will follow

the timeline and approach outlined in the 3-Year Implementation Strategy.

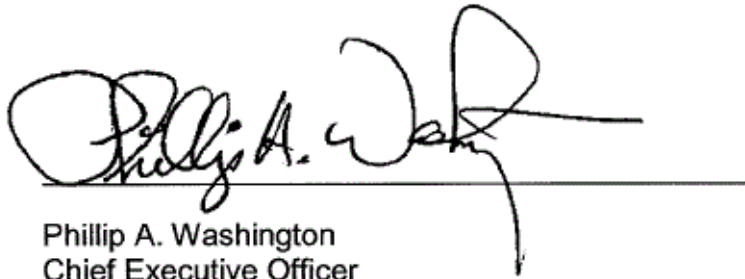
**ATTACHMENTS**

Attachment A - Sustainable Acquisition Program Framework

Prepared by: Cris B. Liban, EO, Environmental Compliance and Sustainability,  
(213) 922-2471

Carolina Coppolo, EO, Vendor/Contract Management, (213) 922-4471

Reviewed by: Richard Clarke, Chief Program Management Officer (213) 922-7557  
Debra Avila, Chief Vendor/Contract Management Officer (213) 418-3051



Phillip A. Washington  
Chief Executive Officer



# Sustainable Acquisition Program Framework

*Metro Sustainable Acquisition Program*

April 2019

Prepared for Metro by:





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## **Executive Summary**

Sustainability is a core value at Metro. The Agency is committed to ensuring its public transportation system is planned, built, operated, and maintained in a way that encourages positive and restorative changes to local communities and the environment. This includes acknowledging the social and environmental impacts that exist within its supply chain and taking steps to integrate sustainability considerations into the Agency's acquisition activities.

Metro has implemented a robust Disadvantaged Business Enterprise and Small Business Enterprise (DBE/SBE) program, which incorporates social considerations into select acquisition activities. This program has earned the Agency national recognition. As a next step, Metro seeks to formalize and enhance its existing green and sustainable acquisition efforts in order to achieve similarly impressive environmental impacts.

A formalized Sustainable Acquisition Program (Program) ensures that social and environmental considerations regularly inform acquisition decisions, helping to reduce corporate impacts and risks, as well as drive industry innovation.

For Metro, a Sustainable Acquisition Program means that:

1. In addition to competitive price, quality, and functionality, Metro will factor practical sustainable features such as reduced GHG emissions, reduced product toxicity, improved packaging, or similar sustainability benefits into acquisition decisions.
2. Acquisition decisions will increasingly consider environmental, social, ethical, and financial factors while working within the limits of Metro's legal and regulatory responsibilities.
3. In addition to specifying sustainability features for a specific product or service, Metro will also seek to promote good sustainability practices within its vendor communities.

## **Conceptual Program Vision**

*Acquisition at Metro is a catalyst for social and environmental innovation in the transportation industry, leading to a low carbon, circular, and inclusive economy.*

## **Three Year Program Goals**

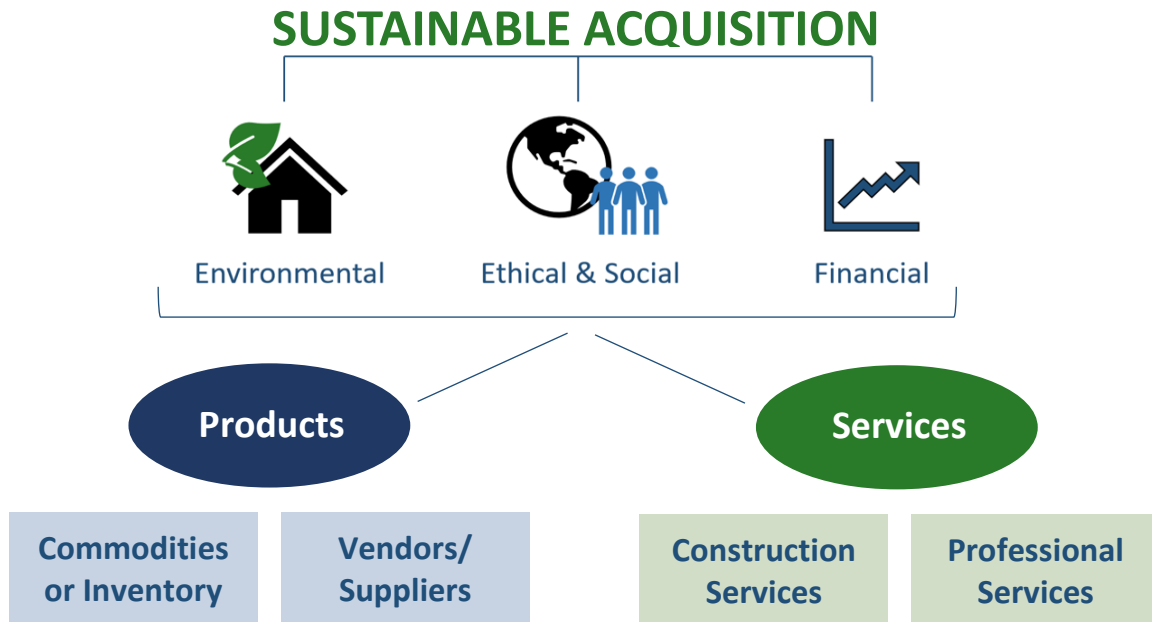
**Goal 1:** Metro will build a best practice Sustainable Acquisition Program that aligns with established standards and is recognized within its industry.

**Goal 2:** Sustainability will be regularly and meaningfully incorporated within specifications or as an element of acquisition decision-making criteria.



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**Goal 3:** Metro will see improved sustainable performance and positive social impacts as a result of acquisition activities, particularly in the areas of waste reduction and recycling, GHG reductions, energy efficiency, water, and resource conservation.



*Pillars of Sustainable Acquisition*

Metro’s Board of Directors has adopted a series of policies that commit to operating in an environmentally and socially responsible manner such as the Environmental Policy, Green Construction Policy, Renewable Energy Policy, and various other sustainability policies. These policies guide Metro’s planning, construction, operations, and acquisition protocols.

The Sustainable Acquisition Program will operationalize the directives contained in the Agency’s sustainability policies and advance Metro’s existing sustainability initiatives by broadening and deepening considerations related to sustainability in the acquisition process. The Program will be comprised of 10 key elements, summarized below.



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Framework  
Summary



3-Year  
Implementation  
Plan



High Impact  
Acquisition  
Opportunities



Communication



Program  
Measure



Acquisition  
Toolkit



Procedures



Code of  
Conduct



Training



Performance &  
Compliance

*Sustainable Acquisition Program Elements*

Four Program elements have already been developed and are included in the Sustainable Acquisition Program Framework:

1. Three-Year Implementation Plan
2. Communication & Training Plan
3. High Impact Acquisition Opportunity List
4. Measures and KPIs

These four program elements are provided in full in the Attachments to this document and will inform program implementation and roll-out. The balance of this document provides more information on the program scope, development approach, roles, and reporting expectations contained within the recommended Sustainable Acquisition Program.





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## **1.0 Introduction**

Sustainable acquisition is all about organizations and their people adopting a mindset that considers sustainability risks and opportunities when specifying and procuring goods and services. Sustainable acquisition aims to integrate reasonable and relevant sustainability considerations into existing processes, to compliment and optimize what is already being done, in alignment with policy initiatives within the organization and from other levels of government. As a result, sustainable acquisition can help protect Metro from potential supply chain risks, including business disruption, regulatory risks, or rising prices due to resource scarcity, and it will enhance Metro's reputation as a management leader in the public transportation sector.

Metro's Environmental Policy (2008) commits the Agency to "procuring products and services consistent with State and federal laws and regulations and in a manner that protects human health and the environment but not neglecting the efficient delivery of quality public transit services within our financial ability."

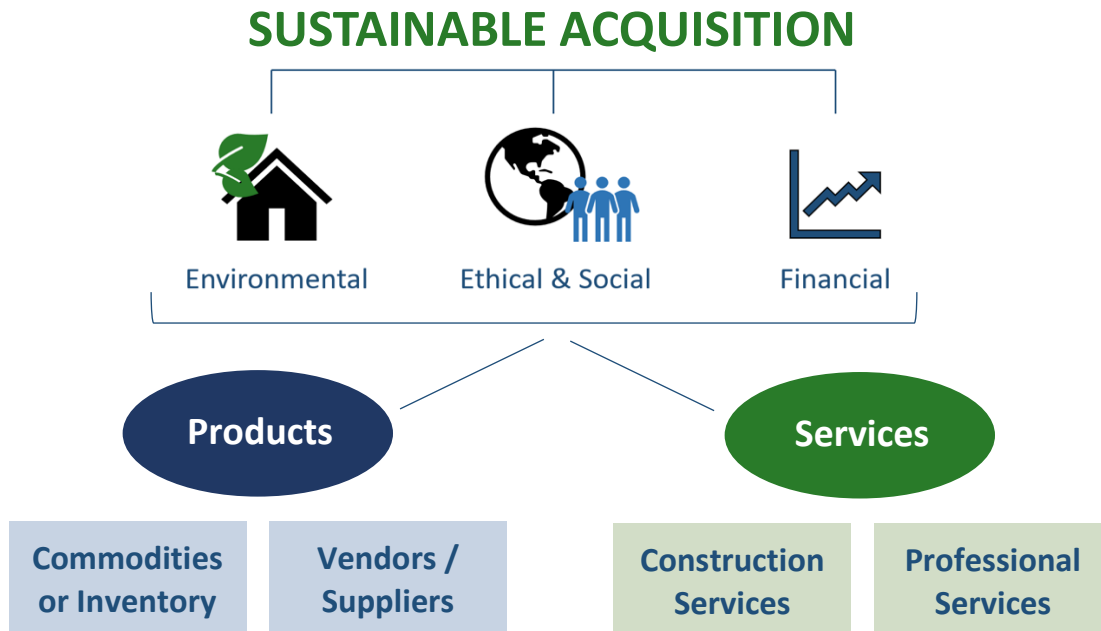
The Sustainable Acquisition Program will formalize these activities and bring a more structured approach to considering the environmental or social risks and opportunities within significant spend categories or significant projects. It will do this by providing staff with tools to use when developing specifications and training on how to apply those tools. The Program will establish a framework to track the overall financial, environmental, and social impacts that result from these collective efforts. Ultimately, the Program is intended to support the sustainability policies and program goals previously established by the Board and senior leadership.



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## 2.0 Program Focus and Structure

Sustainable acquisition considers the potential social and/or environmental impacts of products and services, as well as the management and operational practices of vendors along key points in the supply chain.



*Pillars of Sustainable Acquisition*

Sustainable acquisition promotes Metro's desire to obtain products and services that offer competitive prices, are of good quality, are fit for functionality, and feature practical sustainable features and benefits, all while maintaining a commitment to fiscal responsibility. Additionally, sustainable acquisition means that Metro wants to encourage vendors to adopt sustainability practices in their operations.

The Sustainable Acquisition Program will follow a top-down enterprise-wide approach. Sustainable acquisition is not limited to certain product and service categories and can be considered when acquiring products and services for any of Metro's departments.

Effective and impactful sustainable acquisition will ultimately be enabled through a partnership among all of Metro's departments. In partnership with V/CM and ECSD, program success and impact will depend on strong support from internal client departments, as these groups make critical decisions around product, service, and project requirements.



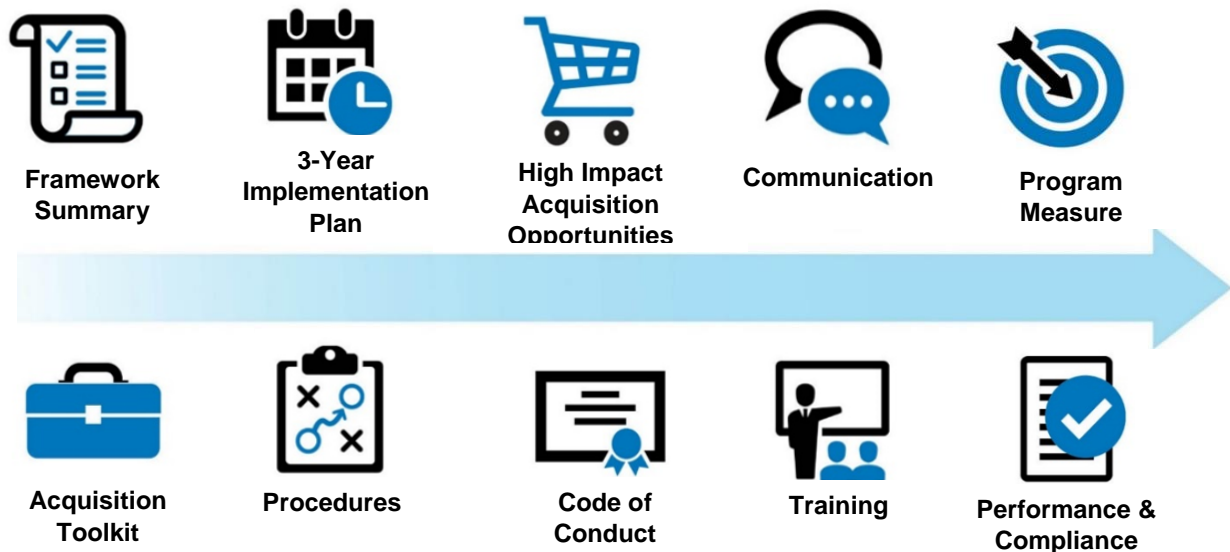
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## 2.1 Sustainable Acquisition Program Framework

While a full-scale, comprehensive Sustainable Acquisition Program will include the 10 key elements identified in the graphic below, four program elements have already been developed as part of the program framework:

1. Three-Year Implementation Plan
2. Communication & Training Plan
3. High Impact Acquisition Opportunity List
4. Measures and KPIs

The development of these initial program elements establishes a roadmap for transitioning from the program design phase to the next phase of program implementation. The Program roll-out will begin with the Three-Year Implementation Plan, contained in Attachment 1. Further design and development of the remaining program elements will take place in Phase Two. The elements developed in Phase One are presented in full in the Attachments to this report.



*Sustainable Acquisition Program Elements*

## 2.2 Sustainable Acquisition Key Impact Priorities

Sustainability encompasses a broad range of issues including environmental preservation, social responsibility, and maintaining economic vitality. While Metro will consider a range of potential sustainability issues when and where relevant, the Sustainable Acquisition Program will focus on:



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1. Reducing energy use and associated greenhouse gases (GHG) emissions;
2. Limiting air pollution and conserving water;
3. Promoting zero waste, and the use of safer materials and chemicals;
4. Continuing to promote small and medium size business participation;
5. Continuing to promote standards for safe working conditions, fair labor practices and ethical corporate behavior.

When practical, acquisitions will be considered from a sustainability perspective, considering efficiencies and savings gained through the use of more sustainable goods and services over the life cycle of the project or product. The depth and complexity of sustainability evaluations will be in alignment with the value, potential risk, and impact of the acquisition. Large complex projects will receive a greater level of assessment and due diligence.

## **2.3 General Approach to Sustainable Acquisition**

Metro will take the following approach to further designing, building, and implementing the Sustainable Acquisition Program:

1. Any sustainability considerations must comply with Metro's approved Acquisition Policy and all applicable statutes, regulations, ordinances, and codes;
2. Metro will establish a cross-functional Sustainable Acquisition Working Group to develop tools, resources, and training materials to support program implementation and inform staff on how to integrate appropriate and applicable environmental and social considerations into specifications and requirements;
3. Metro will develop approaches to Life Cycle Costing and Total Cost of Ownership based on best practices and as part of the development of broader Sustainable Acquisition tools, resources, and training;
4. Where appropriate, reasonably consider the life cycle costs as well as the environmental and social impacts of the products and services Metro buys, and the projects Metro builds, as early as possible in the planning stages, and to meaningfully integrate appropriate social and environmental criteria and standards into product and service specifications;
5. Meaningfully consider the sustainability practices of vendors within the acquisition process, in addition to the specific characteristics of their products or services;
6. Review and consider products, services, and project categories that have high sustainability risk or opportunity associated with their lifecycle and then develop specific guidelines or standards that will drive sustainability performance improvements in these categories;
7. Provide information to disadvantaged, small, and medium sized business enterprises regarding best practices, resources, and initiatives in the area of sustainability;



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8. Continuously play a leadership role in the region by collaborating with other local agencies, sectors, and industry leaders to advance the Sustainable Acquisition Program and stimulate sustainability innovation and transformation in the marketplace;
9. Communicate with vendors regarding best practices, resources, and initiatives in the area of sustainability;
10. Review and update guidelines and/or specifications related to sustainability on a periodic basis in order to meet best practices in green construction.
11. Consider and apply construction contract requirements and performance structures to ensure that sustainability requirements are met;
12. After establishing an Agency-wide baseline, set specific goals, measures, and targets that are regularly reported to the Board and then monitor the performance and impact of the Sustainable Acquisition Program.

### **3.0 General Roles and Responsibilities**

A successful Sustainable Acquisition Program is a partnership among all of Metro's departments. The Program will ultimately be delivered in collaboration with internal client departments, the vendor community, and other stakeholders. Initially, ECSD and V/CM will co-lead the ongoing development and implementation of the Program. Specific roles and responsibilities are envisioned as follows:

#### ***Board, the CEO, and Senior Leadership Team***

- Incorporate sustainability life cycle costing approaches into the budget process;
- Develop long-range strategic plans for sustainability and sustainable acquisition;
- Approve annual goals and targets that flow down through the organization and work to meet the short, mid and long-range plans for sustainability.

#### ***Chief Vendor/Contract Management Officer***

- Serve as partner organization for the Sustainable Acquisition Program within Metro to enable continuous improvement and periodic benchmarking;
- Help align the Sustainable Acquisition Program with other Metro programs and initiatives;
- Support the sustainable procurement community through professional associations.

#### ***EO / Environmental Compliance and Sustainability Staff***

- Assist in the implementation of the programmatic elements of the Sustainable Acquisition Program and align the same to the goals and objectives of the Environmental Policy through Metro's Environmental Management System;



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- Work with Metro Senior Leadership in developing Sustainable Acquisition Program elements and act as nexus to the implementation of these elements and best practices in the Planning, Design, Construction, and Operations and Maintenance of Agency infrastructure and assets;
- Incorporate the principles and practices of sustainable acquisition in the sustainability program of the Agency; and
- Track progress and report to the Board on overall Agency sustainability performance, including those metrics that are impacted by the Sustainable Acquisition Program.

## ***Vendor Contract Management Staff***

- Ensure that solicitations and contracts meet established processes and requirements;
- Communicate with client staff reminding them to incorporate relevant sustainability considerations into solicitations and contracts;
- Help coordinate education of Metro staff and vendors on sustainable acquisition practices and assist with data collection, compliance, and monitoring;
- Seek opportunities to recommend training for sustainable acquisition.

## ***Departmental Chiefs***

- Support utilization of the Sustainable Acquisition Program's guiding principles during project planning, contract/purchasing decisions, and standards/specifications development;
- Ensure project, program, and operations budgets are based on life cycle costing;
- Support and participate in Program targeted data collection and reporting;
- Support and participate internal collaboration that facilitates acquisition and process efficiencies;
- Ensure Sustainable Acquisition and related employee trainings;
- Support staff time for contributing to Sustainable Acquisition pilot projects.

## ***Internal Departments and End Users***

- Apply sustainable acquisition best practices when setting or reviewing mandatory or desirable specifications for products, services, or materials;
- Utilize sustainable acquisition best practices during project planning to deliver on Environmental Management System (EMS) requirements under ISO 14001, as well as other sustainability criteria;
- Plan and advocate for budgets that support life cycle costing;
- Contribute to sustainable acquisition data collection as requested;
- Seek opportunities for profession-specific sustainability training.

## ***Project Managers, Planning Staff, and Design Professionals***

*(e.g. Architects, Engineers, and Landscape Architects)*



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Within their scope of work, and when applicable:

- Incorporate sustainable acquisition best practices and prioritization strategies into project design, vendor selection, and material/product specifications;
- Utilize sustainable acquisition best practices during project planning and when revising standard drawings, details, and specifications;
- Plan and advocate for project budgets that support life cycle costing;
- Monitor project contractors, consultants, vendors, and suppliers on Sustainable Acquisition Program requirements and compliance;
- Contribute to sustainable acquisition targeted data collection as requested;
- Seek opportunities for profession-specific sustainability training.

***All Metro Employees***

Within their scope of responsibilities, and when applicable:

- Select goods and services which align with Sustainable Acquisition Program best practices;
- Contribute to sustainable acquisition targeted data collection as requested;
- Seek opportunities for sustainable acquisition training.

## **4.0 Program Review and Reporting**

The Program will be reviewed every three years to ensure that it remains current with best practices and aligns with emerging Metro acquisition policies, procedures, and related programs.

Staff will report regularly to the Board on progress towards a defined set of Sustainable Acquisition goals and targets, with support and data from Sustainable Acquisition Program partners, internal client departments, and ECSD. V/CM and Program partners will use performance results, data from any internal audit functions, and stakeholder input to facilitate improvement of the Program and implement process efficiencies.

Key Performance Indicators (KPIs) will be reported periodically as part of Metro's ***Energy and Resource Report***. To enable effective reporting, Metro will invest in processes to automate spend and impact data, supplier evaluation tracking and other reporting tools in alignment with best practice management practices.



# **Attachments**

***Metro Sustainable Acquisition Program***





## **ATTACHMENT 1**

# **Three-Year Implementation Plan**

*Metro Sustainable Acquisition Program*

*APRIL 2019*



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# Three-Year Implementation Plan

## *Metro Sustainable Acquisition Program*

The Sustainable Acquisition Program Three-Year Implementation Plan has been created as a tool for the agency to build and implement Metro's Sustainable Acquisition Program. The Implementation Plan outlines a conceptual vision and three program goals to provide high-level direction for the program. The Implementation Plan also identifies six objectives to advance Metro towards achieving the program goals. A series of tasks and activities are linked to each of the objectives and summarized in section four below. Success is dependent on working closely with end users, key internal support groups within Metro, and ultimately vendors across the supply chain.

The Three-Year Implementation Plan includes the following elements:

1. Conceptual Program Vision
2. Program Goals and Objectives
3. Activation Steps for the First 3-6 Months
4. Three-Year Sustainable Acquisition Program Implementation Plan

### **1. Conceptual Program Vision**

*Acquisition at Metro is a catalyst for social and environmental innovation in the transportation industry, leading to a low carbon, circular, and inclusive economy.*

### **2. Program Goals and Objectives**

The Implementation Plan outlines three program goals and six objectives with supporting actions to realize Metro's Sustainable Acquisition Program Vision.

#### **Three-Year Goals:**

**Goal 1:** Metro will build a best practice Sustainable Acquisition Program that aligns with established standards and is recognized within its industry.

**Goal 2:** Sustainability will be regularly and meaningfully incorporated within specifications or as an element of acquisition decision-making criteria.

**Goal 3:** Metro will see improved sustainable performance and positive social impacts as a result of acquisition activities, particularly in the areas of waste reduction and recycling, GHG reductions, energy efficiency, water, and resource conservation.



**Objectives:**

**O1. Build Staff Understanding:** Ensure staff at all levels have appropriate knowledge and technical tools to effectively implement the Sustainable Acquisition Program.

**O2. Implement Tools and Procedures:** Update, develop where required, and consistently apply Sustainable Acquisition criteria and tools.

**O3. Increase Routine Sustainable Acquisitions and Quick Wins:** Identify and routinely carry out 'quick win' sustainable acquisition opportunities.

**O4. Pursue High-Impact Acquisition Opportunities:** Identify and pursue high-impact sustainable acquisition opportunities.

**O5. Engage Key Stakeholders:** Ensure suppliers and other external stakeholders are adequately informed about, and appropriately consulted on, Metro's Sustainable Acquisition Program.

**O6. Monitor, Evaluate, and Plan:** Implement measurements to monitor and update progress to support continual improvement.



### 3. Activation Steps for the First 3-6 Months

The following table identifies five actions to be taken in the 3-6 months following program approval.

Action	Potential Lead
1. <b>Secure Adequate Resourcing to begin Program Implementation:</b> Secure Senior Leadership Team support for budget allocations required for program development and implementation.	V/CM and ECSD
2. <b>Roll-Out the Communication Plan:</b> Update as required and implement the Communication & Training Plan to support the uptake of the overall program and ensure that relevant internal and external stakeholders are informed about Sustainable Acquisition responsibilities and progress. Update Sustainable Acquisition success stories and profile existing acquisition inventories.	ECSD with support from V/CM & Communications
3. <b>Create a Cross-Functional Sustainable Acquisition Working Team:</b> Assigned representatives from relevant divisions or departments (e.g., ECSD, Communications, V/CM, Bus Operations, Rail Operations, Planning/Program Management, Engineering and General Services) to join a cross-functional team to help with implementation coordination, identification of 'quick wins' and high impact acquisition opportunities, as well as education and training activities.	ECSD
4. <b>Identify 'Quick Win' Sustainable Acquisitions to Start Testing Approaches:</b> Identify several regular or routine acquisitions that offer meaningful, and cost-effective sustainability wins in key environmental impact areas; test and pilot in these 'routine' categories.	ECSD, V/CM & Client Departments
5. <b>Create Training Strategy and Materials:</b> Using the Communication Plan as a guide, create an adequately detailed Training Strategy for key internal groups. Create the associated training materials in cooperation with internal training experts and staff. Training should enable staff who have a key role in the Sustainable Acquisition Program to understand their role throughout various points of the acquisition process, how to apply Sustainable Acquisition tools or checklists, and how to interpret the results to improve overall Sustainable Acquisition performance.	ECSD with support from V/CM & Training



#### 4. Three-Year Sustainable Acquisition Program Implementation Plan

The following table outlines recommended actions occurring in Year One, Year Two, and Year Three of implementation to achieve the Program goals and advance toward the long-term vision. The Actions are categorized under their respective Objectives (O1 to O6).

Objective	Year One		Year Two	Year Three
	Action	Lead	Action	Action
<b>O1. Build Staff Understanding:</b> <i>Ensure staff have knowledge and technical tools to effectively implement Sustainable Acquisition.</i>	Implement the <b>Communication and Training Plan</b> to raise internal awareness and build support for the Sustainable Acquisition Program. <b>(Q1 through Q4)</b> .	ECSD and Communications	Continue to <b>implement change management activities</b> to support the program and ensure that relevant internal stakeholders are fulfilling their sustainable acquisition responsibilities and are informed of progress.	
	Refine and execute a <b>Training Plan</b> for client departments and other key groups (e.g. training on how to assess risk, apply Sustainable Acquisition tools, and engage suppliers).	ECSD and Talent Development	<b>Continue Implementation of the Training Strategy</b> for client departments and other key sections/new staff.	Train new staff on an on-going basis; Update the Sustainable Acquisition Program Training Strategy.
	Join <b>collaborative Sustainable Acquisition forums</b> , such as the Sustainable Purchasing Leadership Council, to leverage knowledge and share opportunities.	ECSD and V/CM	Continue to engage in <b>collaborative Sustainable Acquisition forums</b> by making presentations and attending events.	Take a leadership role on Boards or Committees for organizations with related sustainable acquisition priorities.



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Objective	Year One		Year Two	Year Three
	Action	Lead	Action	Action
<b>O2. Update, Develop, and Apply Implementation Tools and Procedures:</b> <i>Develop and consistently apply a set of Sustainable Acquisition tools</i>	Update, develop, and apply <b>tools</b> to acquisitions (e.g. checklists, criteria specific clauses, vendor questionnaires, risk/opportunity identification tool, etc.).	ECSD and V/CM	Continue to develop Sustainable Acquisition <b>tools</b> and ensure consistent use of tools.	
	Draft <b>guidelines</b> on how sustainability will be addressed with client departments in high, medium, and lower value acquisitions (defining need, determining total cost, specifications, etc.)	ECSD and V/CM and Client Departments	Clarify <b>procedures</b> for how Environmental Specialists or Subject Matter Experts in Energy, Waste, Water, etc. can be involved in writing specifications and evaluating supplier responses in which sustainability is deemed to be important.	Publish and <b>automate access to tools and procedures</b> via smart technologies and internal communication channels.
<b>O3. Perform Routine Sustainable Acquisition and Quick Wins:</b> <i>Identify and carry out quick win Sustainable Acquisition opportunities; integrate sustainability into routine purchasing.</i>	Confirm 4 upcoming acquisitions that would represent <b>quick sustainability</b> and engage with key client department buyers to start substituting for 'greener' alternatives.	ECSD and V/CM with support from Cross-Functional Working Team	Using lessons learned from quick win projects, integrate Sustainable Acquisition approach into <b>routine acquisitions</b> on a phased basis.	<b>Continue phased integration</b> of sustainability into routine acquisitions and apply at least a 10% weighting for sustainability criteria in scored RFP solicitations
	Utilize checklists and training to provide staff with the <b>information and resources</b> to make simple sustainability decisions within their acquisition.	ECSD and V/CM with support from Cross-Functional Working Team	Develop recognition and reward program that integrates with P-Cards to profile Sustainable Acquisition successes and champions.	<b>Create online ordering catalogues</b> for e-transactions that highlight sustainable products in routine categories.



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Objective	Year One		Year Two	Year Three
	Action	Lead	Action	Action
<b>O4. Pursue High-Impact Acquisition Opportunities:</b> <i>Identify and carry out high-impact sustainable acquisition opportunities</i>	Work with major departments and the Cross-Functional Working Team to conduct a spend analysis to identify 6 to 10 upcoming acquisitions over the next 1 – 2 years with large sustainability risk or opportunity. Update the <b>High-Impact Acquisition Opportunity List</b> .	V/CM and ECSD	Manage the list of <b>High-Impact Acquisition Opportunities</b> ; incorporate lessons learned from trial period; engage with key contract managers to update <b>sustainability specifications</b> .	Perform an <b>acquisition risk analysis</b> , to identify large risks in Metro’s supply chain, including sustainability risks.
	Conduct best practice <b>research</b> (e.g. CDP Supply Chain), <b>consult</b> with peer organizations to see how they are reducing carbon in their supply chain.	ECSD and V/CM	Perform a <b>simple carbon ‘hot spot’ analysis</b> of Metro’s supply chain to identify 1-2 priority categories or practices to target that will reduce supply chain GHG emissions.	<b>Implement low-carbon action items</b> in collaboration with local suppliers and peer organizations.  Prepare <b>case studies or success stories</b> showcasing results of GHG reduction/low carbon acquisition initiatives.
	<b>Consult</b> with peer (e.g. APTA) organizations to see how they are reducing waste through the acquisition process and if there are opportunities to collaborate on zero-waste (i.e. circular) supply chain initiatives.	ECSD and V/CM	Perform a <b>simple waste ‘hot spot’ analysis</b> to identify opportunities to reduce waste to landfill through the acquisition process.	<b>Implement circular acquisition action items</b> in collaboration with local suppliers and peer organizations.  Prepare <b>case studies or success stories</b> showcasing results.



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Objective	Year One		Year Two	Year Three
	Action	Lead	Action	Action
<b>O5. Cultivate Stakeholder Relations</b> <i>Ensure suppliers and other external stakeholders are adequately informed about, and appropriately consulted on, the Sustainable Acquisition Program</i>	Create a Sustainable Acquisition section or page on Metro's <b>website</b> and populate it with a description of the Sustainable Acquisition Program, including a value proposition highlighting the relationship between the Sustainable Acquisition Program and existing Metro policies and plans, and a FAQ document.	Communications with support from ECSD	As new Sustainable Acquisition Program initiatives are developed, <b>identify and consult key stakeholders</b> for feedback and advice.  Submit nominations to sustainability acquisition award programs with groups like APTA and SPLC and others locally.	Develop an <b>annual Supplier Sustainability Award</b> to recognize best practices.  <i>(The Region of Peel and/or Metro of Toronto have existing programs.)</i>
	Host <b>presentations and/or webinars</b> on how to meet Metro's sustainability expectations. Presentations could be incorporated into "How to Do Business with Metro" sessions.	ECSD with support from Communications	Hold a <b>Vendor Sustainability Summit</b> to inform the local supplier community about Metro's Sustainable Acquisition approach, encourage participation, and identify opportunities to work together in achieving joint sustainability priorities.	Host a <b>Vendor Sustainability Innovation Lab</b> to encourage suppliers to suggest alternative/innovative sustainability solutions within the acquisition process.





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Objective	Year One		Year Two	Year Three
	Action	Lead	Action	Action
<b>O6. Monitor, Evaluate, and Plan</b> <i>Implement procedures to measure, monitor, and report on progress to support continual improvement and accountability</i>	Implement monitoring mechanisms from the Program Measures framework to incorporate basic tracking into the acquisition process benchmark baseline performance; include measures to assess financial cost-benefits where feasible.	V/CM and ECSD	Develop and implement a <b>post-acquisition tracking form</b> that includes the tracking of sustainable purchasing outcomes.	<b>Assess</b> overall progress on the Sustainable Acquisition Program Implementation Plan and <b>draft a new Three-Year Implementation Plan.</b>
	Identify preliminary <b>targets</b> based on key performance indicators (KPIs) in the Program Measures framework.	V/CM and ECSD	<b>Set additional KPIs and three-year targets</b> for Sustainable Acquisition after benchmarking performance.	Enhance processes for managing and collecting data and information internally and via suppliers.
	Identify and communicate the <b>roles and required progress reporting requirements</b> of each partner department.	V/CM and ECSD	Submit <b>first annual progress report</b> on sustainable acquisition to the Board; consider using a balanced scorecard approach to measure progress against the chosen targets.	Submit <b>annual progress report</b> to the Board.
	Decide upon the <b>recourse</b> for non-compliance with sustainability requirements in contracts and communicate this to suppliers.	V/CM and ECSD with support from Legal	Ensure that sustainability-related commitments made by suppliers are delivered by incorporating them into existing <b>contract management processes.</b>	Develop standardized processes for estimating, calculating, tracking and reporting financial ROI on sustainable acquisition activities.



## **ATTACHMENT 2**

# **Communication & Training Plan**

*Metro Sustainable Acquisition Program*

**APRIL 2019**



# Communication & Training Plan

## *Metro Sustainable Acquisition Program*

Communication and training will play a significant role in helping Metro to build a culture of sustainable acquisition across the agency, and especially within the client departments, that regularly considers sustainability risks and opportunities during project scoping, specification development, and the requisition process. The following Communication & Training plan will play a significant role in the implementation of Metro's Sustainable Acquisition Program over the next 2-3 years.

The Communication and Training Plan includes the following elements:

1. Phases, Objectives, and Desired Outcomes
2. Target Audiences
3. Primary Strategies
4. Key Messages
5. Roles and Responsibilities
6. Measurement and Evaluation



## 1. Phases, Objectives, and Desired Outcomes

Phase	One	Two	Three	Four	Five
Stage	Orienting	Learning	Practicing	Mastering	Maintaining
Timeframe	<i>Jul. – Dec. 2019</i>	<i>Jan. – Jun. 2020</i>	<i>Jul. – Dec. 2020</i>	<i>Jan. – Jul. 2021</i>	<i>Jul. – Dec. 2021</i>
Objectives	<ul style="list-style-type: none"> <li>● Build awareness and understanding of the Sustainable Acquisition Program strategy, plans, and available resources</li> </ul>	<ul style="list-style-type: none"> <li>● Develop confidence to apply Sustainable Acquisition Program tools/ checklists and generate interest in piloting Program principles for significant procurement opportunities</li> </ul>	<ul style="list-style-type: none"> <li>● Support staff to apply the Program procedures and approaches as comprehensively as possible</li> <li>● Build initial awareness and understanding with external audiences</li> </ul>	<ul style="list-style-type: none"> <li>● Ensure staff have a clear understanding of their individual requirements and resources</li> <li>● Build Board and Senior Leadership Team awareness and support for the program</li> <li>● Deepen external awareness of the program</li> </ul>	<ul style="list-style-type: none"> <li>● Ensure that staff at all levels maintain their level of proficiency at implementing the Program</li> <li>● Onboard new staff quickly and efficiently</li> </ul>
General Outcomes	<ul style="list-style-type: none"> <li>● All internal audiences know the basics of the Sustainable Acquisition Program in relation to their role</li> </ul>	<ul style="list-style-type: none"> <li>● Staff build their understanding of how the Sustainable Acquisition Program affects their role, and gain applied knowledge</li> </ul>	<ul style="list-style-type: none"> <li>● Operational staff gain familiarity with implementing the Sustainable Acquisition Program and appreciate its value</li> </ul>	<ul style="list-style-type: none"> <li>● Staff are knowledgeable on how to be effective participants in the Program and have the appropriate level of competency to execute the Program in relation to their role</li> <li>● Board understands the Program and its value to Metro</li> </ul>	<ul style="list-style-type: none"> <li>● Staff are willing and able to act as ambassadors for the Program to peers, internal clients, and external stakeholders, including vendors</li> <li>● Metro sees positive social and environmental impacts from the Program</li> </ul>



## 2. Target Audiences

The table below summarizes the seven target audiences identified for the implementation of this Communication Plan:

Audience	Audience Description & Information Needs	Potential Level of Engagement & Timing
<b>Board / SLT</b> <i>Approx.</i>	<ul style="list-style-type: none"> <li>Requested and approved the Sustainable Acquisition Program and should support its implementation</li> <li>Program progress reports</li> </ul>	<i>Level of Engagement</i> <ul style="list-style-type: none"> <li>Low</li> </ul> <i>General Timing</i> <ul style="list-style-type: none"> <li>Periodic Program updates as required; approximately 2-3 times per year.</li> </ul>
<b>Internal Client Departments</b>	<ul style="list-style-type: none"> <li>Occasional users of acquisition services and end-users of the purchased products and services</li> <li>Includes two key sub-groups: those in key client departments and those who are not in key client departments</li> <li>Should understand Metro's policy directives and how they relate to Metro's priorities</li> <li>Should have an awareness of the Sustainable Acquisition Program and sustainability considerations relevant to their purchases</li> <li>Should feel comfortable with the Sustainable Acquisition Program nomenclature</li> </ul>	<i>Level of Engagement</i> <ul style="list-style-type: none"> <li>High</li> </ul> <i>General Timing</i> <ul style="list-style-type: none"> <li>Regular training sessions for key client departments, regular communication and outreach</li> <li>Onboarding training when new staff are hired</li> <li>3-4 training sessions per year for years 1, 2, and 3</li> </ul> <p>*All presentation/training session should be one hour in length.</p>

Audience	Audience Description & Information Needs	Potential Level of Engagement & Timing
<b>Managers and Directors</b>	<ul style="list-style-type: none"> <li>● Must know about the Sustainable Acquisition Program and understand how it may affect their team, the acquisition process, and potential budget implications</li> <li>● Positioned as champions of the Sustainable Acquisition Program and provide support to their staff</li> </ul>	<p><i>Level of Engagement</i></p> <ul style="list-style-type: none"> <li>● High</li> </ul> <p><i>General Timing</i></p> <ul style="list-style-type: none"> <li>● 1-2 training sessions, some ongoing communication, periodic refresher training (e.g. once per year)</li> <li>● Onboarding training when new staff are hired</li> </ul>
<b>V/CM Staff</b>	<ul style="list-style-type: none"> <li>● Promote the Sustainable Acquisition Program to clients for demonstrating corporate results</li> <li>● Work closely with client departments on procurements that meet the objectives of the Sustainable Acquisition Program</li> </ul>	<p><i>Level of Engagement</i></p> <ul style="list-style-type: none"> <li>● High</li> </ul> <p><i>General Timing</i></p> <ul style="list-style-type: none"> <li>● Regular training, ongoing communication, regular refresher training</li> <li>● Onboarding training when new staff are hired</li> <li>● 2-3 training sessions per year for years 1, 2, and 3</li> </ul>
<b>Internal Support Groups &amp; Departments</b>	<ul style="list-style-type: none"> <li>● These include the various departments who have a shared interest with the Sustainable Acquisition Program or can support implementation, including:             <ul style="list-style-type: none"> <li>○ ECSD</li> <li>○ Communications</li> <li>○ Human Capital and Development</li> <li>○ Ethics</li> </ul> </li> </ul>	<p><i>Level of Engagement</i></p> <ul style="list-style-type: none"> <li>● High</li> </ul> <p><i>General Timing</i></p> <ul style="list-style-type: none"> <li>● Periodic training or presentations, ongoing communication, regular coordination meetings</li> <li>● Onboarding training when new staff are hired</li> <li>● 1 or 2 presentations/training sessions per year</li> </ul>



Audience	Audience Description & Information Needs	Potential Level of Engagement & Timing
<b>External Stakeholders &amp; Advisory Groups</b>	<ul style="list-style-type: none"> <li>External stakeholders (e.g. industry and Sustainable Council) who provided input on the Sustainable Acquisition Program and will want to hear program updates</li> </ul>	<p><i>Level of Engagement</i></p> <ul style="list-style-type: none"> <li>Low</li> </ul> <p><i>General Timing</i></p> <ul style="list-style-type: none"> <li>Digital communication; in-person workshops or forums</li> <li>For key sector groups: one in-person presentation per group</li> <li>On-going primarily web-based</li> <li>1 or 2 presentations as appropriate</li> </ul>
<b>Vendors</b>	<ul style="list-style-type: none"> <li>The wide variety of businesses that sell to (or may sell to) Metro and who will need to address sustainable acquisition criteria in their bids</li> </ul>	<p><i>Level of Engagement</i></p> <ul style="list-style-type: none"> <li>Low</li> </ul> <p><i>General Timing</i></p> <ul style="list-style-type: none"> <li>Digital communication; in-person workshops or forums for strategic suppliers</li> <li>4 workshops/presentations for vendors and potential vendors each year</li> </ul>
<b>The Public</b>	<ul style="list-style-type: none"> <li>Should know that Metro is using the Sustainable Acquisition Program and its purchasing power to generate positive social and environmental impacts</li> </ul>	<p><i>Levels of Engagement</i></p> <ul style="list-style-type: none"> <li>Low</li> </ul> <p><i>General Timing</i></p> <ul style="list-style-type: none"> <li>On-going digitally based training</li> <li>Energy &amp; Resource Report</li> </ul>



### **3. Primary Strategies**

To ensure the greatest likelihood of generating the desired outcomes, the Communication and Training Plan proposes the following key strategies:

#### **1. Use a Variety of Communication and Training Tactics**

From training modules and videos to printed and digital materials, the Plan features a variety of tactics and tools to ensure that training and communication meets the visual, auditory, written, and kinesthetic learning styles of Metro's diverse audience.

#### **2. Conduct Regular and Ongoing Engagement**

Audiences will be engaged in learning and communication through various activities sequenced over time. These include interactive training sessions, recognition and awards, storytelling opportunities, and orientation resources. Communication and training will be ongoing and build the knowledge and awareness of different audiences over time.

#### **3. Maintain Consistency with the Key Messages and Brand Standards**

The Plan will adhere to Metro's brand standards while also ensuring a standardized aesthetic, several signature visuals, and a program tagline.

#### **4. Phase-In the Program to Build Knowledge and Competency**

The Plan identifies five key phases of evolution that will gradually orient key audiences to the Sustainable Acquisition Program; allow them to learn more about the art/science of sustainable acquisition; and then lead them through the additional phases of practicing, mastering, and maintaining their proficiency in applying the tools and procedures within the Program and creating impact.





## 4. Key Messages

The following chart provides a summary overview of the high-level messages for the Sustainable Acquisition Program:

<b>Who is leading the Sustainable Acquisition Program?</b>	ECSD and V/CM are leading the Sustainable Acquisition Program, but everyone has a role in making it successful.
<b>What is the Sustainable Acquisition Program?</b>	The Sustainable Acquisition Program is designed to identify and address the relevant environmental, social, and ethical risks and opportunities when procuring goods and services.
<b>When is the Program happening?</b>	The Program will take effect upon Board approval in June 2019; implementation will take place over the next three years and beyond.
<b>What is sustainability?</b>	Sustainability means that Metro strives to preserve the environment and conserve natural resources, build social equity, promote fair labor practices, and promote growth.
<b>What does the Program apply to?</b>	The Sustainable Acquisition Program ensures that Metro considers sustainability during the acquisition process; especially those acquisitions that are of high value, high risk, or have high public visibility.
<b>Why is Metro doing this and what are the benefits?</b>	Metro has substantial purchasing power to influence and improve the social and environmental impacts of Metro's acquisitions. By doing so, it means that Metro is helping reflect the fiscal responsibility, social equity, and environmental stewardship expectations of the community in a balanced and measurable way. Sustainable Acquisition will help Metro to achieve the objectives of the Environmental Policy as well as the Strategic Plan, and it will help manage risks, save money, and drive innovation.
<b>How will the Sustainable Acquisition Program be implemented?</b>	The Sustainable Acquisition Program will be implemented by empowering staff through extensive training and communication to apply simple tools and procedures within regular acquisition processes.



## 5. Roles and Responsibilities

The table below summarizes the key groups involved in the implementation of this Communication and Training Plan and their respective roles and responsibilities:

Role	Sustainable Acquisition Program Communication / Training Responsibilities
<b>ECSD Leadership</b>	<ul style="list-style-type: none"> <li>● Lead resource for Sustainable Acquisition Program implementation</li> <li>● Co-develop the Communication Plan and leads its implementation</li> <li>● Coordinate Metro-wide communication with Communication Department</li> <li>● Lead staff member for delivering training presentations</li> <li>● Directly support the end user on program implementation</li> <li>● Point person for staff / internal inquiries</li> <li>● Provide subject matter experts in Sustainable Acquisition and resource on trends and best practices</li> <li>● Provide support staff for implementation of the Program; provide advice on staff engagement</li> <li>● Recommend Sustainable Acquisition Program communication/training resourcing requirements</li> </ul>
<b>Vendor/Contract Manager Leadership</b>	<ul style="list-style-type: none"> <li>● Co-manage with ECSD initiative roll-out, organizational planning, and capacity building</li> <li>● Promote the Sustainable Acquisition Program to all groups within V/CM and clients</li> <li>● Manage initiatives that support suppliers to improve their sustainability practices</li> <li>● Identify opportunities for collaborative work within legal boundaries</li> <li>● Point person for external vendor inquiries</li> </ul>
<b>Communications And Training Groups</b>	<ul style="list-style-type: none"> <li>● Sign-off on Communication Plan</li> <li>● Ensure all Program communication and training materials align with Metro's Brand Standards and other communication initiatives</li> <li>● Oversee production of communication and training materials</li> <li>● Support rollout and implementation</li> </ul>



## 6. Measurement and Evaluation

Measurement and evaluation are critical to determine the success of the Sustainable Acquisition Program communication efforts. The monitoring and evaluation component of this Communication plan will focus on the answer to the following questions:

- Are staff following the processes described and outlined in the Sustainable Acquisition Program?
- Have we successfully increased the understanding of sustainable acquisition amongst all audiences thereby leading to desired behavior changes?

The following table summarizes the primary training and communication activities, the methods for evaluating success, and some potential targets and metrics to ultimately track performance.

Planned Activity	Evaluation Method	Metric / KPI	Year 1, 2 & 3 - Targets
<b>In-person staff training</b>	Attendance is taken at each training session conducted (e.g., attendees sign in)	Percentage of staff attending all training sessions based on their role	90%+ of V/CM Staff attend any required training sessions 70%+ Departments are represented by a Manager and/or Director at a training session 50%+ end users or staff in key client departments attend a training session
<b>Emails are distributed to key audiences on a specified schedule</b>	Track email distribution	Percentage of planned email distributions that occur	100% of planned email distributions occur on their specified schedule Open rate and follow-up (if any)



Planned Activity	Evaluation Method	Metric / KPI	Year 1, 2 & 3 - Targets
<b>Intranet Communication</b>	Track content updates	Yes/No – Program content is on intranet (enter date)	Program content is on intranet in (enter date) Number of contributors to stories (# of vendors, # of divisions, # of visits)
<b>Posters and Coasters are distributed around Metro offices and meeting rooms</b>	Track delivery	Yes/No - Program posters and coasters are distributed around Metro offices and meeting rooms	Program posters and coasters are distributed around Metro offices and meeting rooms
<b>Program Postcards are distributed to all internal audiences</b>	Track delivery of postcards	Percentage of audience business units in which staff have received the Program postcard	100% of business units that are also part of our audiences have received the Program postcards
<b>Website Program section</b>	Track content updates	Yes/No - Program content is on website by (enter date)	Program content is on website by (Enter date) Total number of website visits, amount of time visitors stays on the website, bounce rate (date, year)



The following table summarizes the primary desired **outcomes** of the Sustainable Acquisition Program Communication and Training Plan, the methods for evaluating success, and some potential targets and metrics to track performance.

Desired Outcome	Evaluation Method	Metric / KPI	Year 1, 2 & 3 - Targets
<b>All internal audiences know the basics of the Sustainable Acquisition Program</b>	Quizzes	Score of 80% or better represents success	80% of staff score 80% or better
<b>All internal audiences know how the Program will impact their role and responsibilities</b>	Conversation with Manager or Supervisor	Percentage of staff who can accurately describe their role in implementing the program	80% of all staff can accurately describe their role in making the program successful
<b>Staff at the operational level appreciate the value of the Program</b>	Quizzes	Staff can identify 4 out of 6 key benefits of sustainable procurement	80% of staff can score 4 out of 6
<b>Buyers have increased confidence to act as ambassadors for the Program</b>	Survey	Staff self-declare a rating of 4 or 5 on the 5-point scale	80% of applicable staff self-declare confidence in being able to promote the program internally or explain it to vendors
<b>Staff are willing and able to act as ambassadors for the Program to peers and external vendors</b>	Survey	Staff self-declare a rating of 4 or 5 on the 5-point scale	80% of applicable staff self-declare confidence in being able to promote the program internally or explain it to vendors



## **ATTACHMENT 3**

# **High-Impact Acquisition Opportunity List**

***Metro Sustainable Acquisition Program***

***APRIL 2019***



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# High-Impact Acquisition Opportunity List

## *Metro Sustainable Acquisition Program*

The purpose of the High-Impact Acquisition Opportunities list is to identify an initial list of products and services (10-20) that represent either high-impact or low-hanging fruit sustainable acquisition opportunities that could be prioritized during the early stages of the Sustainable Acquisition Program implementation process. This worksheet serves as a starting point to identify a list of High-Impact opportunities that can be pursued to generate momentum in the early stages of the program. The product or service categories identified for consideration were selected because of a potential risk or significant sustainability opportunity, or because progress has begun in this category and more opportunities exist, and/or it should continue to be a priority. This list will be refined over time as additional opportunities are identified.

### **Worksheet Organization and Structure**

Potential priority product and service categories are presented in Table 1 below, according to the following structure:

- Column A – Identification of potential products and services for the Sustainable Acquisition Program.
- Column B – List of relevant client departments.
- Column C – The criteria used for adding products to the list.
- Column D – Identification of some of the potential risks and opportunities for each of the products/services identified.

The products and services identified in Column A were flagged as potential High-Impact Acquisition Opportunities based on a set of criteria listed in Column C. The selection criteria terms are defined below:

- **High Volume/High Value** – Purchased in significant quantities across the organization, or in high volume by one area.
- **Environmental Risk/Opportunity** – Possesses a significant environmental risk or can contribute significantly to a reduced environmental footprint.
- **Social Risk/Opportunity** – Possesses a significant risk of social or ethical issues or provides an opportunity to add positive social value.
- **Significant Public Profile** – High real or symbolic value with the public or other stakeholders.



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- **Mature Market** – Proven quality and availability within the marketplace for an environmental product.
- **Third-Party Certification** – Recognized independent certification exists for the product.





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## 1. Priority Products and Services

A. Product/Service Description	B. Key Client Departments	C. Selection Criteria	D. Potential Risks / Opportunities
<b>Transit Uniforms</b> (Corporate Apparel, Transit Uniforms, Security Uniforms)	<ul style="list-style-type: none"> <li>Facilities Maintenance</li> </ul>	<ul style="list-style-type: none"> <li>High Volume/High Value</li> <li>Environmental Risk/Opportunity</li> <li>Social Risk/Opportunity</li> <li>Significant Public Profile</li> </ul>	<i>Risks:</i> <ul style="list-style-type: none"> <li>Sweat-shop labor</li> <li>Unfair labor practices</li> <li>Compromised company reputation</li> </ul> <i>Opportunities:</i> <ul style="list-style-type: none"> <li>Eco-fabrics</li> <li>Recycled content</li> <li>Fair trade cotton</li> <li>Small or disabled business enterprise</li> </ul>
<b>Office Furniture</b> (Chairs, Tables, Cabinets, Workstation Desks)	<ul style="list-style-type: none"> <li>General Services</li> </ul>	<ul style="list-style-type: none"> <li>Environmental Risk/Opportunity</li> <li>Mature Market</li> <li>Third-Party Certification</li> </ul>	<i>Risks:</i> <ul style="list-style-type: none"> <li>Packaging and waste</li> <li>Toxicity in foams</li> </ul> <i>Opportunities:</i> <ul style="list-style-type: none"> <li>Minimize packaging in contracts</li> <li>Design for repair and/or donation at end of life</li> <li>Non-toxic</li> </ul> <i>Potential Specifications:</i> <ul style="list-style-type: none"> <li>FSC certified</li> <li>Blue Angel certified</li> </ul>
<b>IT Equipment and Accessories</b> (Computers, Phones, Tablets)	<ul style="list-style-type: none"> <li>Information Technology</li> </ul>	<ul style="list-style-type: none"> <li>High Volume/High Value</li> <li>Environmental Risk/Opportunity</li> <li>Mature Market</li> <li>Significant Public Profile</li> </ul>	<i>Risks:</i> <ul style="list-style-type: none"> <li>Emissions/Air quality</li> <li>Impacts on environment</li> <li>Worker safety</li> </ul> <i>Opportunities:</i> <ul style="list-style-type: none"> <li>Eco-friendly</li> <li>Recyclable parts</li> <li>Low emissions</li> </ul>



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A. Product/Service Description	B. Key Client Departments	C. Selection Criteria	D. Potential Risks / Opportunities
<b>Concrete</b> (Material for Construction)	<ul style="list-style-type: none"> <li>• Program Engineering</li> <li>• Operations Engineering</li> <li>• V/CM - Construction</li> </ul>	<ul style="list-style-type: none"> <li>• High Volume/High Value</li> <li>• Environmental Risk/Opportunity</li> <li>• Significant Public Profile</li> </ul>	<i>Risks:</i> <ul style="list-style-type: none"> <li>• Greenhouse gas emissions in instant concrete</li> </ul> <i>Opportunities:</i> <ul style="list-style-type: none"> <li>• Eco-friendly materials</li> <li>• Lower greenhouse gas emissions</li> </ul>
<b>Fuels</b> (Diesel, Gasoline, Natural Gas, CNG)	<ul style="list-style-type: none"> <li>• Bus Operations</li> </ul>	<ul style="list-style-type: none"> <li>• High Volume/High Value</li> <li>• Environmental Risk/Opportunity</li> <li>• Significant Public Profile</li> </ul>	<i>Risks:</i> <ul style="list-style-type: none"> <li>• Greenhouse gas emissions</li> <li>• High impact on air quality</li> </ul> <i>Opportunities:</i> <ul style="list-style-type: none"> <li>• Continue to convert to low emissions</li> <li>• Natural gas/CNG</li> <li>• Electrical fuel</li> </ul>
<b>Chemicals</b>	<ul style="list-style-type: none"> <li>• Chemical Review Committee</li> <li>• Bus &amp; Rail Operations</li> <li>• Facilities Maintenance</li> <li>• Corporate Safety</li> <li>• V/CM – Supply Chain &amp; Logistics</li> </ul>	<ul style="list-style-type: none"> <li>• High Volume/High Value</li> <li>• Environmental Risk/Opportunity</li> <li>• Third-Party Certification</li> </ul>	<i>Risks:</i> <ul style="list-style-type: none"> <li>• Impacts on environment</li> <li>• Worker safety</li> <li>• Packaging</li> <li>• Safety &amp; storage issues</li> </ul> <i>Opportunities:</i> <ul style="list-style-type: none"> <li>• Eco-friendly chemicals</li> <li>• Bulk packaging/storage</li> </ul>
<b>Engine Oil</b>	<ul style="list-style-type: none"> <li>• Bus Operations</li> </ul>	<ul style="list-style-type: none"> <li>• High Volume/High Value</li> <li>• Environmental Risk/Opportunity</li> <li>• Mature Market</li> </ul>	<i>Risks:</i> <ul style="list-style-type: none"> <li>• Emissions</li> <li>• Impacts on environment and air quality</li> <li>• Worker safety</li> <li>• Chemical packaging</li> </ul> <i>Opportunities:</i> <ul style="list-style-type: none"> <li>• Eco-friendly chemicals in the engine oil</li> <li>• Recyclable packaging and labels</li> <li>• Continue to convert to low emissions</li> </ul>



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A. Product/Service Description	B. Key Client Departments	C. Selection Criteria	D. Potential Risks / Opportunities
<b>Cleaning Products</b> (Detergents, Surface Cleaners, Degreasers)	<ul style="list-style-type: none"> <li>• Chemical Committee</li> <li>• Facilities Maintenance</li> <li>• Bus Operations</li> <li>• Rail Fleet Services</li> <li>• Corporate Safety</li> <li>• General Services</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental Risk/Opportunity</li> <li>• Mature Market</li> <li>• Third-Party Certification</li> </ul>	<p><i>Risks:</i></p> <ul style="list-style-type: none"> <li>• Toxicity issues (e.g. water contamination)</li> <li>• High-volume</li> <li>• Human health impacts</li> </ul> <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> <li>• Eco-friendly/biodegradable</li> <li>• Local employment/contract opportunities</li> <li>• Encourage employment for people with disabilities</li> </ul> <p><i>Recommended Specifications:</i></p> <ul style="list-style-type: none"> <li>• EU Ecolabel Certified</li> <li>• Nordic Swan certified</li> <li>• Biodegradable</li> <li>• Does not contain REACH banned substances</li> </ul>
<b>Office Supplies</b> (Paper, Files/Folders, Pens)	<ul style="list-style-type: none"> <li>• General Services</li> </ul>	<ul style="list-style-type: none"> <li>• High Volume/High Value</li> <li>• Environmental Risk/Opportunity</li> <li>• Mature Market</li> </ul>	<p><i>Risks:</i></p> <ul style="list-style-type: none"> <li>• Packaging and waste</li> <li>• Toxicity</li> </ul> <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> <li>• Minimize packaging in contracts</li> <li>• Non-toxic</li> <li>• High recycled content</li> </ul>
<b>Printing Services</b> (Letterhead, business cards, corporate reports and brochures, etc.)	<ul style="list-style-type: none"> <li>• Communications</li> </ul>	<ul style="list-style-type: none"> <li>• High Volume/High Value</li> <li>• Environmental Risk/Opportunity</li> <li>• Mature Market</li> </ul>	<p><i>Risks:</i></p> <ul style="list-style-type: none"> <li>• Eco-impacts of paper choices</li> <li>• Resource consumption</li> <li>• Toxic inks</li> </ul> <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> <li>• High recycled content</li> <li>• Vegetable based inks</li> <li>• Carbon neutral printing</li> </ul>



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A. Product/Service Description	B. Key Client Departments	C. Selection Criteria	D. Potential Risks / Opportunities
<b>Irrigation Equipment</b>	<ul style="list-style-type: none"> <li>• Engineering</li> <li>• Maintenance</li> </ul>	<ul style="list-style-type: none"> <li>• High Volume/High Value</li> <li>• Environmental Risk/Opportunity</li> <li>• Significant Public Profile</li> </ul>	<p><i>Risks:</i></p> <ul style="list-style-type: none"> <li>• Water consumption</li> </ul> <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> <li>• Water conservation</li> </ul>
<b>Buses</b> (Some work underway already; more potential in this category)	<ul style="list-style-type: none"> <li>• Engineering</li> <li>• Bus Operations</li> </ul>	<ul style="list-style-type: none"> <li>• High Volume/High Value</li> <li>• Environmental Risk/Opportunity</li> <li>• Social Risk/Opportunity</li> <li>• Significant Public Profile</li> </ul>	<p><i>Risks:</i></p> <ul style="list-style-type: none"> <li>• Emissions</li> </ul> <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> <li>• Eco-friendly busses, relevant equipment</li> <li>• Recyclable parts</li> <li>• Low emissions</li> </ul>
<b>Non-Revenue Vehicles</b> (Some work underway already; more potential in this category)	<ul style="list-style-type: none"> <li>• Facilities Maintenance</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental Risk/Opportunity</li> <li>• Significant Public Profile</li> </ul>	<p><i>Risks:</i></p> <ul style="list-style-type: none"> <li>• Environmental impacts relating to disposal</li> </ul> <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> <li>• Opportunity for redirection of parts</li> <li>• Recyclable parts</li> <li>• Eco-friendly disposal</li> </ul>
<b>Bus Washing Stations</b>	<ul style="list-style-type: none"> <li>• Engineering</li> <li>• ECSD</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental Risk/Opportunity</li> </ul>	<p><i>Risks:</i></p> <ul style="list-style-type: none"> <li>• High water consumption</li> <li>• Toxic cleaning products</li> </ul> <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> <li>• Pilot innovative waterless or low water use wash systems</li> </ul>
<b>Bus Parts</b>	<ul style="list-style-type: none"> <li>• Engineering</li> <li>• Bus Maintenance</li> </ul>	<ul style="list-style-type: none"> <li>• High Volume/High Value</li> <li>• Environmental Risk/Opportunity</li> <li>• Mature Market</li> </ul>	<p><i>Risks:</i></p> <ul style="list-style-type: none"> <li>• Emissions</li> <li>• Impacts on environment</li> <li>• Worker safety</li> <li>• High impact on air quality</li> </ul> <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> <li>• Eco-friendly parts</li> <li>• Low emissions</li> </ul>



## **ATTACHMENT 4**

# **Measures and KPIs**

*Metro Sustainable Acquisition Program*

*APRIL 2019*



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## **Measures and KPIs**

### ***Metro Sustainable Acquisition Program***

The purpose of this document is to present a set of possible program measures or key performance indicators (KPIs) to monitor and track progress on implementing the Sustainable Acquisition Program. These KPIs will primarily serve to inform staff and executives of program performance and progress towards achieving the three overarching program goals (see below). The results of progress monitoring can also be used in both internal and external reports (the annual *Energy and Resource Report*). Typically, organizations start with a small number of KPIs and expand the depth of their monitoring as their program becomes more sophisticated, and as automated systems to automatically track, collect, and code data become available.

**Goal 1.** Metro will build a best practice Sustainable Acquisition Program that aligns with established standards and is recognized within its industry.

**Goal 2.** Sustainability will be regularly and meaningfully incorporated within specifications or as an element of acquisition decision-making criteria.

**Goal 3.** Metro will see improved sustainable performance and positive social impacts as a result of acquisition activities, particularly in the areas of waste reduction and recycling, GHG reductions, energy efficiency, water, and resource conservation.

### **Types of Sustainable Acquisition Indicators**

1. **Activity Indicators** – Activity Indicators measure if an organization is actively using sustainability criteria to impact its supply chain decisions. This type of measure indicates to what extent procedures, resources, and knowledge are being used to effectively apply the Sustainable Acquisition Program directives.
2. **Outcome Indicators** – Outcome Indicators measure the environmental and/or social impacts that result from applying the Sustainable Acquisition principles to acquisitions. Outcome Indicators measure the extent to which the use of sustainability criteria in the selection of products and vendors results in improved environmental and social outcomes, such as using less energy, consuming fewer resources, reducing GHG emissions, or protecting human rights in the supply chain.

Activity Indicators are critical to the early stages of a program and it is common practice to focus on these in the first year of implementation. Outcome Indicators are frequently



harder to track and may require certain infrastructure, procedures, and/or training in order to accurately measure the outcomes. Outcome Indicators, especially those related to environmental objectives, are sometimes measured only on a project or specific procurement basis, as it can be too challenging to establish enterprise-wide baselines against which to measure. For example, purchasing more energy efficient LED lighting for rail line lighting may save energy and money, but there may not be an accurate baseline against which to measure such savings.



## 1. Potential Activity Indicators

	Indicator	What It Measures	Potential Measurement Tools	Potential Processes to Collect Data <i>(To be developed in Phase 2)</i>
1	<b>#, \$, % of bid solicitations issued to the market that included mandatory or desirable sustainability criteria in specifications</b>	The extent to which Metro is adopting SA practices	<ul style="list-style-type: none"> <li>File/contract tracker system for buyers that has a checkbox for any contract that should include sustainability</li> <li>Excel on shared drive or added to acquisition tracking software</li> </ul>	<ul style="list-style-type: none"> <li>V/CM tracks #, %, or \$ value (denominator is contracts managed by V/CM)</li> </ul>
2	<b>#, \$, % of contracts executed that include material sustainability requirements for the product or in the provision of a service</b>	How much of Metro's expenditure is on materially more sustainable products and services	<ul style="list-style-type: none"> <li>File/contract tracker system for buyers that has a checkbox for any contract that should include sustainability</li> <li>Excel on shared drive or added to acquisition tracking software</li> </ul>	<ul style="list-style-type: none"> <li>V/CM tracks #, %, or \$ value (denominator is contracts managed by V/CM)</li> </ul>
3	<b>Average weighting allocated to sustainability in RFPs</b>	How sustainability is evaluated in Metro's purchasing decisions	<ul style="list-style-type: none"> <li>Manual tracking of all solicitations must be done (resource intensive); stored in a central repository</li> </ul>	<ul style="list-style-type: none"> <li>Create a range of best practice weightings to measure against based on purchase categories, rather than one average number as some weightings are very low and some are high.</li> </ul>





	Indicator	What It Measures	Potential Measurement Tools	Potential Processes to Collect Data <i>(To be developed in Phase 2)</i>
4	<b>#, % of staff trained in Sustainable Acquisition principles or who have consulted Sustainable Acquisition Program resources</b>	Proxy to track knowledge and awareness of Sustainable Acquisition in the organization	<ul style="list-style-type: none"> <li>• Excel or other tracking repository</li> <li>• Existing training program; integrate into existing tracking system</li> <li>• Website analytics</li> </ul>	<ul style="list-style-type: none"> <li>• Each business unit would track its own progress and report centrally to V/CM or ECSD</li> <li>• Track visits to resources online</li> </ul>
5	<b>Communicate with #, % of suppliers on reviewing Sustainable Acquisition objectives that may be in solicitations</b>	How much Metro is engaging with suppliers on sustainability issues	<ul style="list-style-type: none"> <li>• Online or in-person registration for events or dialogues</li> </ul>	<ul style="list-style-type: none"> <li>• Agency tracks attendance at such events/track digital consultation on such events</li> </ul>

#### 4. Potential Outcome Indicators

	Indicator	Tools	Processes	Potentially Relevant Purchases <i>(Developed in Phase 2)</i>
1	<b>Cost Savings (\$)</b>	<ul style="list-style-type: none"> <li>• Total cost of ownership calculation worksheet/tool</li> </ul>	<ul style="list-style-type: none"> <li>• Calculated to determine best value or tracked over time</li> <li>• It may be useful to track cost savings more closely in the interest of furthering a business case for Sustainable Acquisition</li> </ul>	<ul style="list-style-type: none"> <li>• LED Lighting</li> <li>• Non-toxic chemicals/other materials (reduced disposal costs)</li> <li>• Refillable ink cartridges</li> </ul>



2	<b>Energy Use Reductions (kWh)</b>	<ul style="list-style-type: none"> <li>• Excel spreadsheets</li> <li>• Portfolio Manager software for buildings</li> <li>• Use of annual reporting from suppliers (require in relevant contracts)</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability offices/departments are typically in charge of tracking</li> <li>• In some cases, V/CM supplies some metrics as inputs</li> <li>• Typically used for large scale projects such as building retrofits</li> </ul>	<ul style="list-style-type: none"> <li>• LED Lighting</li> <li>• HVAC equipment</li> <li>• Electronics</li> <li>• Appliances</li> </ul>
3	<b>GHG Emissions Reductions (tCO2 equivalent)</b>	<ul style="list-style-type: none"> <li>• Excel spreadsheets</li> <li>• Portfolio Manager software for buildings</li> <li>• Fuel consumption readings from fleets</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability offices/departments are typically in charge of tracking</li> <li>• In some cases, V/CM supplies some metrics as inputs</li> <li>• Typically used for large scale projects such as building retrofits</li> </ul>	<ul style="list-style-type: none"> <li>• Fleet vehicles</li> <li>• Delivery/Courier services</li> <li>• Professional Services where travel is expected</li> </ul>
4	<b>Waste Reduction or avoidance (kg)</b>	<ul style="list-style-type: none"> <li>• Waste hauler data (require in contract)</li> <li>• Waste audit data</li> </ul>	<ul style="list-style-type: none"> <li>• Agency-Wide: ECSD tracks diversion, including reduced packaging (vendors could help as well)</li> </ul>	<ul style="list-style-type: none"> <li>• Waste hauling</li> <li>• Construction/demolition</li> <li>• Anything with substantial packaging</li> <li>• Food/catering</li> </ul>
5	<b>Paper Type and Use (e.g. Recycled content, Fibre source)</b>	<ul style="list-style-type: none"> <li>• Tracking requirement in office supplies contract</li> </ul>	<ul style="list-style-type: none"> <li>• Collect information from suppliers</li> <li>• Track volume and types of paper purchased</li> </ul>	<ul style="list-style-type: none"> <li>• Copy paper</li> <li>• Office supplies</li> <li>• Managed print services</li> </ul>
6	<b>Water Conserved (Liters or gallons)</b>	<ul style="list-style-type: none"> <li>• Tracking requirements in contracts</li> </ul>	<ul style="list-style-type: none"> <li>• Collect information from suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Landscape irrigation</li> <li>• Bus and Rail washing</li> <li>• Construction</li> </ul>