

PROCUREMENT SUMMARY
RECRUITMENT STRATEGIC ASPIRATION SERVICES / PS108564000

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|----|---|----------|---|---------------------------------|
| 1. | Contract Number: PS108564000 | | | |
| 2. | Contractor: McKinsey & Company, Inc. (McKinsey) | | | |
| 3. | Mod. Work Description: Ongoing consultant support services for hiring process improvements, continuous job classification analysis, planning and recruitment, employee retention enhancements, internal customer-centric training and development; and extend the period of performance through 6/30/26. | | | |
| 4. | Contract Work Description: Evaluate Metro's current processes, identify opportunities for improving customer service and support, and propose recommendations for optimizing the structure and efficiency. | | | |
| 5. | The following data is current as of: 05/15/25 | | | |
| 6. | Contract Completion Status | | Financial Status | |
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| | Contract Awarded: | 7/1/24 | Contract Award Amount: | \$497,500 |
| | Notice to Proceed (NTP): | N/A | Total of Modifications Approved: | Not-to-Exceed (NTE) \$3,477,500 |
| | Original Complete Date: | 12/31/25 | Pending Modifications (including this action): | NTE \$5,410,000 |
| | Current Est. Complete Date: | 6/30/26 | Current Contract Value (with this action): | NTE \$9,385,000 |
| | | | | |
| 7. | Contract Administrator: Annie Duong | | Telephone Number: (213) 418-3048 | |
| 8. | Project Manager: Don Howey | | Telephone Number: (213) 922-8867 | |

A. Procurement Background

This Board Action is to approve Contract Modification No. 2 to provide ongoing consultant support services for hiring process improvements, continuous job classification analysis, planning and recruitment, employee retention enhancements, and internal customer-centric training and development. This Modification will also extend the period of performance from December 31, 2025 through June 30, 2026.

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

On July 1, 2024, Metro awarded a one-year contract to McKinsey & Company, Inc. for recruitment strategic aspiration.

A total of one modification has been issued to date.

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

B. Price Analysis

The recommended price has been determined to be fair and reasonable based on the Independent Cost Estimate (ICE), price analysis using historical pricing for similar services to other public agencies, and technical analysis. The ICE is based on the original negotiated contract rates.

| Proposal Amount | Metro ICE | Recommended Amount |
|------------------------|------------------|---------------------------|
| \$5,410,000 | \$5,500,000 | \$5,410,000 |