

# Office Of Inspector General 2023 OIG Construction Best Practices Report

Presented By  
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October 2023

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Strengths: Metro has implemented OIG recommendations & continues to enhance

- Comprehensive procedures
- Detailed readiness checklists for PMG planning & project delivery selection
- Earlier engagement by PMG within the early project planning process

Vulnerabilities: Enhancements continue to be critical to mitigating risks

- Subsurface conditions including utilities & other structures
- Collaborative (and early) engagement with third party permitting authorities & utility owners
- Comprehensive use of risk management tools and deep project management on lower cost, less complex projects

Recommendation:

- Accelerate implementation of “lessons learned” including robust best practices extending to deep cross-departmental collaboration & partnering with third party stakeholders

Strengths: Metro has implemented OIG recommendations & continues to enhance

- Streamlined Change Order process with delegated authority practices balanced by controls through OIG's Quarterly Change Order Spot Check program
- Initiated Quality Management Oversight Program on new projects

Vulnerabilities: Enhancements continue to be critical to mitigating risks

- Contractors' disputed claims require aggressive disposition by Metro including partnering, mediation, and dispute resolution board
- Quality's Lessons Learned program is not universally embraced by participants in projects
- Metro will benefit from end-of-project assessments of contractors akin to federal programs to enlighten future procurement determinations

Recommendation: Accelerate implementation of "lessons learned" through enhancements to all policies, procedures and practices

Strengths: Metro has implemented OIG recommendations & continues to enhance

- Administrative Controls & Metro technology (“PMIS”) functions
- Strong document controls in place for Mega projects
- PMIS effectively collects, tracks, and handles data

Vulnerabilities: Enhancements continue to be critical to improving efficiencies

- Gaps may exist in effective public outreach early in project planning
- Metro’s full-time employees to consultant’s ratio for capital projects sits at 30/70 ratio with challenges to move toward goal of 50/50 ratio
- PMG data may be better tracked and marshalled using better coding
- Utilize PMIS to provide a transparent “score card” on Budget/Schedule/Safety

Recommendations:

- Continue to implement “lessons learned” for robust public participation
- Consider extended use of PMIS across smaller capital projects
- Accelerate initiatives to attract & retain staff & implement alternative staffing strategies

## CLUSTER D: STRATEGIC PROGRAM OVERSIGHT

Strengths: Metro has implemented OIG recommendations and continues to enhance

- The 2022 launch of the Early Intervention Team (“EIT”) identifies & overcomes project challenges using cross-departmental expertise

Vulnerabilities: Enhancements continue to be critical to mitigating risks

- Application of Project Management Book of Knowledges (“PMBOK”) principles & processes are lacking
- Unified program of collaboration is a continuing vulnerability – but the EIT mitigates it

## CLUSTER E: RELOCATED GROUPS

Strengths: Highways group relocated to Planning; more closely aligned with Caltrans.

Enterprise Transit Asset Management (ETAM) relocated to Operations & showing progress meeting goals.

Vulnerabilities: For Highways: a lack of reporting & transparency; for ETAM: collaboration with the PMG.

## NEXT STEPS

File #  
2023-0178

The 2023 OIG Construction Best Practices Report includes 37 recommendations to further enhance Metro’s construction management best practices.

The list of OIG recommendations & Metro responses are attached to this OIG report (Attachment B).

Additionally, concurrently with this report, the OIG submits a report entitled “Review of Metro Construction Projects Quantitative Data” (Legistar Report No. 2023-0474). That report describes an opportunity for the PMG to regularly report data and trends reflecting change order activity, reasons for change and revisions to the Board-approved Life of Project budget(s).

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