

**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: Consultant support services for hiring process improvements, continued job classification analysis, execution of strategies to reduce vacancy rates and retain talent and extend the period of performance through 12/31/25. | | |
| 4. | Contract Work Description: Evaluate Metro’s current structure and classifications, the hiring process and provide improvement recommendations to reduce vacancy rates | | |
| 5. | The following data is current as of: 11/12/24 | | |
| 6. | Contract Completion Status | | Financial Status |
| | Contract Awarded: | 7/1/24 | Contract Award Amount: \$497,500 |
| | Notice to Proceed (NTP): | N/A | Total of Modifications Approved: \$0 |
| | Original Complete Date: | 6/30/25 | Pending Modifications (including this action): Not-to-Exceed (NTE) \$3,477,500 |
| | Current Est. Complete Date: | 12/31/25 | Current Contract Value (with this action): NTE \$3,975,000 |
| 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. 1 to provide consultant support services for hiring process improvements, continued job classification analysis, and execution of strategies to reduce vacancy rates and retain talent. This Modification will also extend the period of performance from June 30, 2025 through December 31, 2025.

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

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

Refer to Attachment C – 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 with other public agencies, and technical analysis. The ICE is based on the original negotiated contract rates. Staff negotiated a savings of \$372,500.

| Proposal Amount | Metro ICE | Recommended Amount |
|------------------------|------------------|---------------------------|
| \$3,850,000 | \$3,477,500 | \$3,477,500 |