

**Board Report**

File #: 2015-0224, **File Type:** Contract**Agenda Number:** 41.

**CONSTRUCTION COMMITTEE
JULY 16, 2015****SUBJECT: SUSTAINABILITY PROGRAM ASSISTANT SERVICES****ACTION: AWARD AND EXECUTE PROFESSIONAL SERVICES CONTRACT FOR
SUSTAINABILITY PROGRAM ASSISTANT SERVICES****RECOMMENDATION**

CONSTRUCTION COMMITTEE FORWARDED WITHOUT RECOMMENDATION authorizing the Chief Executive Officer to award and execute a five year contract, Contract No. PS84203243, with Cumming Construction Management, Inc. for **Sustainability Program Assistance Services on Task Orders** for a total amount not-to-exceed \$12,481,230 inclusive of three base years (not to exceed \$7,339,981) with two one-year options (year one = \$2,545,173 and year two = \$2,596,076.)

ISSUE

The Los Angeles County Metropolitan Transportation Authority (Metro) has incorporated sustainable principles, specifically climate, energy, water and resource conservation and management, into its organizational values and core business goals. These principles express the agency's commitment to "reduce, re-use, and recycle all internal resources and reduce greenhouse gas emissions." Operational and construction-related sustainability principles have been formally implemented throughout our agency since 2007. Over the past few years, the number of initiatives and projects related to these themes has evolved resulting in significant cost savings and operational efficiencies, while simultaneously increasing the health and welfare of our employees and the people we serve through a safe working and customer focused environment.

As we increase our transit and transportation infrastructure, staff's internal ability to oversee these sustainability-related operational and capital projects become more challenging on two fronts: our ability to properly manage the implementation of the cost-saving and environmentally protective projects as well as our ability to ensure that we develop and implement new ideas to ensure continual improvement. To this end, staff has solicited and recommends the execution of a professional services contract for sustainability program assistance services to provide as-needed analysis, studies, surveys, investigations, modeling, predictions, and/or reports related to the operation and

maintenance of Metro's transportation system, facilities, and support activities.

Metro's existing Environmental Engineering Consultant Services contract includes sustainability project implementation. This recommended contract award was solicited to increase participation of firms that work in the sustainability industry in Metro's programs, especially those which can provide programmatic sustainability oversight for a large transit agency, such as Metro.

The Environmental Compliance and Sustainability (ECSD) group is in the midst of an unprecedented time to consider new responsibilities and revenue generating opportunities as a result of evolving environmental and climatic statutory and regulatory needs to ensure the protection of human health and environment; as well as to constantly address the challenge of operational sustainability while ensuring resiliency and maintaining a state of good repair. As technology in the energy, water, resource management conservation and environmental space also continues to evolve at a very fast pace, ECSD has a need for several specialty contracts to respond to these continuously challenging agency-wide and project needs while continually balancing our short- and long-term goals of succession planning, cost-savings, employee development, economic growth, and project success. The process to procure for such specialty contracts is consistent with ECSD's Business Plan submitted and presented to our Board in January 2015 and as reviewed with OMB through the FY16 budget process.

DISCUSSION

Metro's existing Environmental Engineering Consultant Services contract supports numerous sustainability projects, such as planning for recycled water irrigation lines, deployment of a water recycling system, design of lighting retrofits and energy efficiency measures, engineering of renewable energy systems, other resource reduction initiatives at Metro facilities and alignments, and the implementation of Metro's Environmental Management System (EMS).

Staff divided the current scope of sustainability-related work into four new individual scopes of work to increase participation of firms that work in the sustainability industry, specifically in the field of programmatic sustainability assistance and EMS implementation. This Contract No. PS84203243 is the third contract award being presented to the Board for approval. Earlier contract award include Contract No. PS84203244, Energy and Renewable Energy Consultant Services and Contract No. PS84203245, Solid Waste and Natural Resource Management Consultant Services. A fourth consultant contract for climate change mitigation/adaptation implementation will be released in the summer of 2015.

Contract No. PS84203243 will be an indefinite delivery/indefinite quantity contract. The consultant is not guaranteed any work. The services are only required on an as needed basis for specific program assistance. When consulting service requirements arise staff will issue Contract Work Orders and Task Orders.. These Task Orders will be funded from an existing project's budget with consideration of any information available at the time of planning and applicable time constraints on performance of the work.

All Task Orders will be fully negotiated based on agreed upon rates established in the Contract. .

Staff applies strict project controls in the execution of each of these Task Orders to closely monitor the Consultant's budget and Task Order schedules. No funds are obligated until a Contract Work Order/Task Order is awarded against a valid project.

The Contract No. PS84203243 includes a 25% Disadvantaged Business Enterprise (DBE)/Small Business Enterprise (SBE) goal. DBE attainment is based on the aggregate value of all task orders issued.

The success of Metro's sustainability program has resulted in a significant expansion of the program over the last few years, prompting the diversification and focus of Metro's sustainability consultant support into several disciplines. The services that this contract provides include the oversight of all sustainability-related efforts including those for our major capital projects, energy and resource management, implementation of sustainability related infrastructure, Environmental Management System implementation, and carbon emissions reduction projects oversight. This consultant will provide expert assistance to Metro staff on all matters that relate to the sustainability programmatic implementation.

To accomplish the assigned tasks, the consultant will provide necessary staff, sub-consultants, equipment, software, supplies, and services. Consultant shall employ or subcontract as necessary with such diverse professionals as Environmental Management System Specialists; Geographic Information Services (GIS) Specialist; Air Quality Engineers; Sustainability Engineers; Climate Engineer/Scientist; and such other professional practitioners as may be needed to support the required EMS, training and program guidance activities.

DETERMINATION OF SAFETY IMPACT

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

FINANCIAL IMPACT

Contract No. PS84203243 will be an Indefinite Delivery/Indefinite Quantity (IDIQ) contract. No MTA funds are obligated until a Contract Work Order (CWO) is issued by an MTA authorized Contracting Officer against a valid project budget. No expenditures are authorized until a Task Order is awarded by an MTA authorized Contracting Officer for a specific package of work within the CWO. All task orders are to be individually negotiated and level of effort fully defined prior to the authorization of any project specific funds. Execution of work under those Task Orders within those CWO awards can continue beyond the contract end date.

Obligations and authorizations made within the total Contract Amount will be against specific project or operations budgets which make up the Board-approved MTA budget for this particular fiscal year. Specific funding for this contract will parallel the project approved by Board under separate actions. The Executive Directors and Project Managers of each of the business units and projects overseeing

these projects will be responsible for providing appropriate budgets.

Impact to Budget

There will be no net impact to Bus and Rail Operating Budgets. The initial source of funds for this contract is included in the FY15 budget under Project Number 450003 - Sustainability Environment, Cost Center 8420 Environmental Compliance and Services, Account 50316 Professional and Technical Services.

ALTERNATIVES CONSIDERED

The Metro Board has provided significant guidance in Metro's vision of sustainability. Many projects have been implemented, constructed, and currently being maintained to fulfill this vision. These programs have provided significant financial, employee welfare, and enhanced customer experience for our agency. The benefits from these initial efforts are constrained by the number of staff currently able to provide implementation oversight. Contract PS84203243 is designed to accelerate many of these efforts specifically the cost-saving measures that have been programmed for the next few years. Having no support will result in missed opportunities for achieving operational and construction cost benefits.

During the last five years, the Metro Board has also approved various plans to achieve reductions in operational greenhouse gas emissions; implement innovative approaches and strategies to enhance customer experience, reduce limited natural and energy resource use; investigate public-private partnerships to supplement limited funds to design, build, operate, and maintain sustainability related infrastructure; and increase operational efficiency. Metro's operational sustainability program administered through the Environmental Compliance and Services Department has executed significant portions of that mandate; and will continue to do so using all of the sustainability-related consulting contracts (including Contract No. PS84203243) as an expert supplement for current staff's expertise.

The Metro Board has already desired staff to do programmatic implementation activities in house. However, there is an inherent risk in hiring for too many credentialed and highly skilled staff members full-time. While there are cost efficiencies that may be achieved by having some of these types of staff, current Metro staff determined that there is an optimum number of staff that we should internally hire to oversee these projects, then seek supplementary consultant Sustainability Project Assistance subject matter experts to complement staff skillsets only as-needed. We have seen the effectiveness of this management style (i.e., as-needed combination of internal staff and expert consultants), especially in large programs such as the energy and EMS. Unlike the other three contracts mentioned previously (i.e., Energy, Waster and Resource Management, and Climate Change) this contract being approved does not provide design services, but instead provides the programmatic expertise to make sure that design and construction of sustainability-related infrastructure and related projects and programs are appropriately implemented.

Staff can solicit and award individual contracts every time additional staff is needed for oversight in any of the programmed sustainability-related efforts. Individually procuring these micro-contracts have associated inconsistent and most likely cumulative higher administrative and execution costs, especially in a sustainability program as large as Metro's. As many of our projects overlap with one another in a single major capital project or facility, having multiple consultants with overlapping skills will cause delays and result in administrative inefficiencies. ECSD currently oversees or supports over 100 task orders in any single fiscal year.

NEXT STEPS

After the recommended Board Action is approved, staff will execute the conformed contract and proceed with issuing Task Orders and Contract Work Orders.

ATTACHMENTS

- A. Procurement Summary
- B. Types and Total Value Estimates of Projects - FY15 to FY 19

Prepared By:

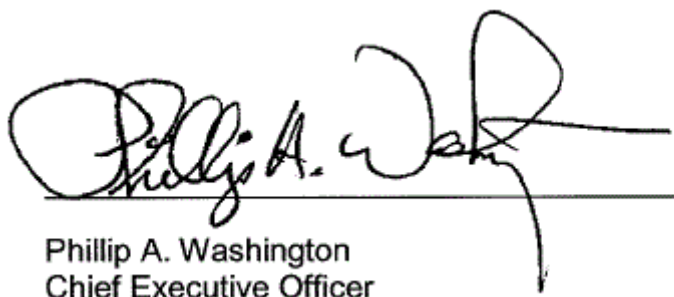
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