

**Board Report**

File #: 2015-0542, **File Type:** Contract**Agenda Number:** 42.

**CONSTRUCTION COMMITTEE
JULY 16, 2015****SUBJECT: ENVIRONMENTAL ENGINEERING SERVICES****ACTION: AWARD AND EXECUTE PROFESSIONAL SERVICES
CONTRACT FOR ENVIRONMENTAL ENGINEERING SERVICES****RECOMMENDATION**

CONSTRUCTION COMMITTEE FORWARDED WITHOUT RECOMMENDATION authorizing the Chief Executive Officer to award and execute a five year contract, Contract No. PS84203274, with Kleinfelder, Inc. for **Environmental Engineering and Consulting services on Task Orders**, inclusive of three base years and two one-year option years with a total not-to-exceed amount of \$12,000,000.00. Base year contract value is \$7.2 million; Option year one contract value is \$2.4 million; and Option year two contract value is \$2.4 million.

ISSUE

Every Capital Project and many ongoing facilities maintenance and restoration activities undertaken by LA METRO requires environmental engineering and consulting services. METRO must remain in compliance with all applicable environmental laws and regulations to avoid potential fines, and civil and criminal liability. This contract is anticipated to be a critical component for technical and environmental engineering support for any of our capital and operating projects. This contract provides technical expert environmental assistance to ensure timely environmental compliance and execution of needed environmental design, data generation and analysis, and environmental measurement and monitoring necessary and as required by Federal and State statutes and regulations and local ordinances.

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 environmental engineering and consulting contract scopes include continued effort on performing environmental and geotechnical assessments, Phase I environmental site assessments, lead based paint and asbestos surveys, stormwater monitoring, air quality monitoring, soil and groundwater sampling, industrial wastewater sampling, GASB 49 Environmental Liability Reporting, fuel storage tank system design, permitting assistance and other regulatory reporting requirements.

Contract No. PS84203274 will be an indefinite delivery/indefinite quantity contract. The consultant is not guaranteed any work. When the need for environmental engineering and consulting services arises, only then will staff be able to issue Contract Work Orders from which Task Orders or changes are drawn. These Task Orders and changes 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 of the Task Orders will be fully negotiated based on agreed upon rates that will be negotiated at the onset of the project. 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. PS84203274 includes a 15% Disadvantaged Business Enterprise (DBE)/Small Business Enterprise (SBE) goal. DBE attainment is based on the aggregate value of all task orders issued.

To accomplish the assigned tasks, the consultant will provide necessary staff, sub-consultants, equipment, software, supplies, and services. The consultant shall employ or subcontract as necessary with diverse environmental professionals such as professional engineers; registered geologists, qualified stormwater developers (QSD), Certified Industrial Hygienists (CIH), and Certified Asbestos Consultants (CAC).

DETERMINATION OF SAFETY IMPACT

This Board action will not have an adverse impact on safety standards for Metro.

FINANCIAL IMPACT

Contract No. PS84203274 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. In other words, 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 300012 - Site Remediation, Cost Center 8420 Environmental Compliance and Services, Account 50316 Professional and Technical Services. Future task orders are to be individually negotiated and level of effort fully defined prior to the authorization of any project specific funds from the projects that would use these services.

ALTERNATIVES CONSIDERED

If Contract PS84203274 is not awarded, staff's ability to support and respond to current environmental projects would be limited. As a consequence; we would not be able to immediately address the potential and existing environmental liabilities generated through our execution of construction and operating efforts. Such situation would also increase the likelihood of non-compliance resulting in potential fines, or orders to comply with regulatory requirements.

As another alternative, the Metro Board may recommended action and direct staff to do all Environmental Engineering services and technical support work in house. Under such situation, Metro would have to hire a much larger staff, and purchase of equipment that staff currently do not have. These would include the hiring of Drilling Crews and purchase of Drill Rigs field equipment and require additional storage, an in house Certified Analytical Lab, Lab Technicians, Certified Industrial Hygienists, additional qualified stormwater developers, UST design engineers, and other related disciplines. While Metro is in the process of adding new environmental staff, the number of staff needed in the short term will not be sufficient to have the ability to respond to all the large and small projects we anticipate to be supporting for the next 5 years.

Staff can solicit and award individual contracts for each environmental task as the need arises. Staff does not recommend this alternative. Individually procuring these CWO's and Task Orders have associated inconsistent and most likely cumulative higher administrative and execution costs and inefficiencies. Each of our Project Managers would also have to competitively procure for environmental services for each individual task order and would significantly delay our ability to

respond to time sensitive requirements from within the agency and from the regulatory agencies.

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

Attachment A - Procurement Summary

Attachment B - Types and Total Value Estimates of Projects FY15 to FY19

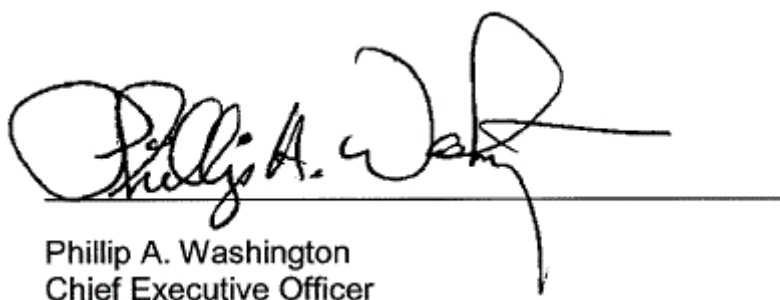
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