



Board Report

File #: 2019-0453, File Type: Contract

Agenda Number: 48.

REGULAR BOARD MEETING JUNE 27, 2019

SUBJECT: CONSTRUCTION MANAGEMENT SUPPORT SERVICES FOR BUS CAPITAL PROJECTS

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE:

- A. an increase to the total funding for Contract PS26331 with MARRS Services, Inc., for pending and future task orders to provide Construction Management Support Services (CMSS) in an amount not to exceed \$3,000,000, increasing the total value from \$3,000,000 to \$6,000,000;
- B. the Chief Executive Officer to exercise the two one-year options in Contract PS26331; and
- C. the Chief Executive Officer to execute individual Task Orders (TOs) and Contract Modifications within the Board approved contract funding amount.

ISSUE

On October 27, 2016, the Board of Directors awarded Contract No. PS26331 to MARRS Services, Inc. for Construction Management Support Services (CMSS) for Metro Bus Projects, for a base term of three (3) years, plus two one (1) year options, in the not-to-exceed amount of \$3,000,000. Staff has issued task orders to date totaling an amount not to exceed \$2,971,154.24, and \$28,845.76 authorized funds remaining. As a result, the amount of authorized funds remaining is not sufficient to support bus facilities construction contracts that are currently in planning or already under contract. Staff is also unable to execute modifications to existing task orders for projects already under construction. With no other contract for CMSS in support of bus services contracts and ample contract duration available, staff seeks an increase to the authorized funding for the contract.

BACKGROUND

Contract No. PS26331 was executed on January 27, 2017 and Notice to Proceed issued on January 31, 2017. The first Task Order was issued in April 2017.

The primary role of the CMSS consultant is to provide skilled and qualified Construction Management Support Services staff in support of Metro's bus facilities construction contracts. Both Metro and

CMSS staff, in most cases, work side-by-side in integrated project management offices (IPMOs). The CMSS contract allows Metro to efficiently and effectively augment its Construction Management staff as required, so that the proper resources are available to manage contracts with the necessary technical expertise.

The CMSS contract funds are authorized by issuing separate Task Orders (TOs) for various projects using labor classifications and rates set forth in the contract, and each TO is funded by the individual project funding the construction contract. This method of contracting results in more efficient cost and schedule management, since TOs and modifications to existing TOs are negotiated and issued when necessary or when additional work is identified. Each TO or TO modification requires staff to prepare a scope of work and an estimate of hours, and the Consultant subsequently provides a Cost Schedule Proposal (CSP). If there is a discrepancy, Metro and the Consultant complete fact-finding and negotiate the hours. After an agreement is reached, the task order is issued and the work proceeds.

DISCUSSION

Findings

When Metro Staff went to the Board in October 2016 for authorization to award Contract PS26331 to MARRS Services Inc., it listed several bus capital projects. The initial \$3,000,000 was calculated by assuming staff would issue approximately 30 small to mid-sized TOs primarily for inspectors and night-time oversight of construction work of Board Approved bus-related capital projects. Since then, staff has also used MARRS for Construction Management Support Services for bus related projects funded by other Metro Departments. Examples of projects funded by other departments include the Culver City Bike Hub and the Bus Shelters at Metro Rapid Bus Stations. Staff has also used MARRS for CMSS on Metro's underground storage tank (UST) replacement program, something not originally anticipated when staff sought the original authorization to award Contract PS26331. Staff has issued TO 3 in the amount of \$587,360 and TO 13 in the amount of \$124,259 to support the UST replacement program. Combined, both TOs total over \$711,000 in value and are about a quarter of the original \$3,000,000 award. Staff has also issued TO 8 for QA/QC support services for the Patsaouras Plaza Busway Station in the amount \$661,261. See attachment B for detailed TOs and Modifications log.

Considerations

Several capital projects fund multiple construction contracts. Staff will soon need to modify existing TOs issued for projects still under construction. Staff has considered not using MARRS for construction projects funded by outside departments. However, the notion was dismissed because it is precisely Metro's intent to have MARRS provide resources for projects where sufficient Metro staff in Program Management are not available.

DETERMINATION OF SAFETY IMPACT

This Board action will not have an impact on established safety standards for Metro construction projects.

FINANCIAL IMPACT

The funding for these services is included in the approved FY19 budget in various bus facilities capital projects. Task Orders will be issued and funded from the associated life-of-project (LOP) budgets. The funding source differs depending on the individual project. These activities will remain within the approved life-of-project budget for each respective project.

Since this is a multi-year contract, the cost center manager, respective project managers, and the Chief Program Management Officer will be accountable for budgeting the cost of the annual work for each fiscal year for the term of the contract, including the options exercised.

Impact to Budget

Funding for this action will come from the individual bus facilities capital projects utilizing this CMSS contract. The planned funding sources for these projects are bus capital eligible local funding source such as TDA Article 4 and Enterprise Fund as well as specific federal grants on the particular projects. Approval of this action will result in use of funding which may also be eligible for Bus and Rail Operations.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of this recommendation supports the following Metro Strategic Plan Goal 1: Provide high quality mobility options that enable people to spend less time traveling. This contract amendment will help expand the transportation system with targeted infrastructure and service investments.

ALTERNATIVES CONSIDERED

The Board may elect to discontinue using MARRS Services, Inc., for CMSS services. Staff does not recommend this alternative as the construction projects they are assigned to are in various degrees of completion and the loss of staff would cause these projects to be significantly impacted.

Another alternative would be to hire Metro staff to perform the required services. This alternative is also not recommended since the intent of the CMSS contract is to augment Metro staff in terms of technical expertise and availability of personnel. CMSS are typically required on a periodic basis to accommodate for peak workloads or specific tasks over the life of the projects. Further, for some projects, the specific technical expertise required may not be available within the ranks of Metro staff, whereas the CMSS consultant can provide the technical expertise on an as-needed basis. Staff consistently monitors its workload, availability of appropriate staff, and future project requirements in order to achieve the appropriate balance between staff and consultant resources.

NEXT STEPS

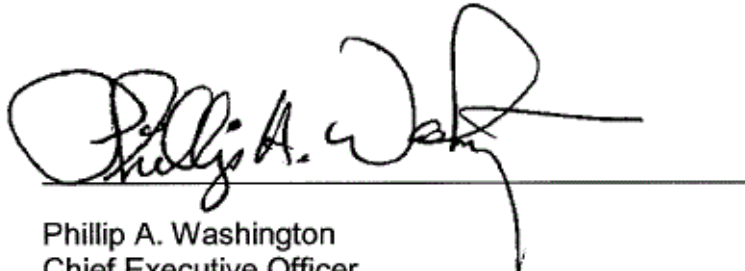
Upon Board approval, staff will issue a contract modification, and issue or modify task orders, as needed.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Task Order/Modification Log
Attachment C - DEOD Summary

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