



Board Report

File #: 2019-0887, **File Type:** Contract

Agenda Number: 35.

CONSTRUCTION COMMITTEE JANUARY 16, 2020

SUBJECT: SUSTAINABILITY PROGRAM ASSISTANCE SERVICES

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE:

- A. An increase to the total authorized funding for Contract No. PS325890084203243 with Cumming Construction Management, Inc. to provide Sustainability Program Assistance Services (SPAS) support in the amount of \$1,548,036 increasing the Total Contract Value from \$13,729,353 to \$15,277,389; and

- B. The Chief Executive Officer (CEO) to execute all individual Task Orders and changes within the new Board approved contract funding amount.

ISSUE

The passing of Measure M and continuation of Measure R projects in the last four years has increased the number of projects that have been developed; number of which have been awarded and executed. While LA Metro has incorporated sustainable principles, specifically climate, energy, water and resource conservation and management, into its organizational values and core business goals, the agency's strategy is to continue developing ways to not only incorporate but to ensure the implementation of sustainability principles to express the agency's commitment to "reduce, re-use, and recycle all internal resources and reduce greenhouse gas emissions."

The demand to monitor and measure the implementation, maintenance, and related activities have significantly increased since the passing of Measure M in 2016, including the sustainability program assistance services that 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. Specific tasks have also included monitoring of the project specific Sustainability Plans, green construction equipment compliance, training of staff and personnel in the operations and maintenance of green, energy efficient, and renewable energy projects; and the increased monitoring and measurement of sustainability program implementation at construction projects.

Increasing statutory and regulatory requirements to further reduce greenhouse gas emissions that affect our agency operations and their implications to the infrastructures we build have also necessitated an unprecedented demand for the use of expert consulting to update agency policies and provisions of the agency's design criteria and technical requirements in the energy, water, resource management conservation and environmental space.

The contract with Cumming Construction Management, Inc., the subject of this Board Report, is in its last year of the contract term and a replacement is already in procurement to be awarded in Summer 2020. In order to continue with support for the major capital projects prior to the next contract being awarded, additional contract amount is required in order to pay for the task orders that are already encumbered, to complete current task orders, and to execute those task orders that are already in the pipeline.

DISCUSSION

Over the past four years, the SPAS consultant contract (Contract No. PS84203243) has assisted Metro in shaping and implementing its sustainability program and incorporating environmental and sustainability principles and elements into the agency's major capital program. Specifically, the SPAS consultant contract supported and continues to support the following Metro projects and programs:

- Environmental Management System (EMS) and Construction EMS (CEMS) Programs;
- Sustainability Plans (SP) and Green Construction Policy (GCP);
- Energy efficiency and renewable energy projects at Metro bus and rail maintenance facilities;
- Electric vehicle (EV) charging program;
- Green procurement and sustainable acquisition program; and
- Metro Sustainability Implementation Plan (MSIP) updates and development of Metro's Moving Beyond Sustainability Plan: A Ten-Year Strategic Plan.

The success and significant expansion of Metro's sustainability program was supported by this consultant's expert assistance to Metro staff on the implementation of the sustainability program.

This contract is an Indefinite Delivery/Indefinite Quantity (IDIQ) contract and the total contract price is the aggregate total of all Task Orders and changes issued within the Board authorized funding. In July 2015 approving the award of the contract the Board authorized a not-to-exceed contract amount of \$12,481,230. Subsequently staff increased that not-to-exceed amount by \$1,248,123, by utilizing the 10% Contract Modification Authority set forth in Procurement Policy ACQ-1 to issue Task Orders within a maximum total not-to-exceed contract amount of \$13,729,353.

The current Total Contract Price (the aggregate total commitment of all Task Orders and changes issued to date) is \$15,277,389 which exceeds the total contract value + CMA value by \$1,548,036. Although this contract's encumbered value is now over the contract value, none of these amounts have been fully spent or billed.

In January of 2017 the Metro Board approved the Chief Executive Officer (CEO) request to execute

change orders and modifications authorizing the CEO to negotiate and execute project related agreements, including contract modifications, up to the authorized Life-of-Project budget on all transit and regional rail capital projects program-wide. Staff had understood that authority flows down to support contracts, including the Sustainability Program Assistance Services contract. A clarification of the policy by executive management is that the 2017 CEO authority only applies to contracts that are exclusively for one capital project and not IDIQ contracts that span over multiple projects with a not-to-exceed contract amount.

An additional contract value in the amount of \$1,548,036 is requested for this contract, increasing the total authorized contract amount from \$13,729,353 to \$15,277,389.

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. PS325890084203243 is an Indefinite Delivery/Indefinite Quantity (IDIQ) contract. All task orders are individually negotiated and the level of effort is fully defined prior to the authorization of any project specific funds. The Chief Program Management Officer, Chief Sustainability Officer, and Project Managers are responsible for providing appropriate budgets and following task order award process protocols during the execution of each task order.

Impact to Budget

There will be no net impact to Bus and Rail Operating Budgets. The source of funds for this contract is included in the department's budget under Project Numbers 450001 - Energy Conservation Initiatives, 450002 - Sustainability Design Guide, 450003 - Sustainability Environment, and 450004 - Carbon Emissions Greenhouse Gases in Cost Center 8420 Environmental Compliance and Services, Account 50316 Professional and Technical Services. The project funds to be used to support capital project environmental services work are within the LOP of the respective capital projects.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This consultant contract supports Strategic Goal 2 by optimizing the delivery and performance of Metro's transportation system by incorporating environmental compliance through environmental services activities to reduce impacts to the environment and increase system efficiency.

ALTERNATIVES CONSIDERED

The Metro Board of Directors could decide not to increase the funding for this Contract and solicit and award individual contracts for each sustainability-related task as the need arises. Staff does not recommend this alternative owing to high costs, construction delays and, for multiple contracts and administrative inefficiencies. This alternative will also slow down and/or stop work on the delivery of Metro's sustainability program, including the update to the 10-year strategic sustainability plan.

Additional statutory and regulatory compliance efforts will also be impacted by the consequence of a slow down or stop work.

As another alternative, Metro could perform all the sustainability related services in-house. However, to do so, Metro would need to hire additional staff with expertise in many sustainability and sustainable infrastructure subjects on green buildings, green procurement, energy management, renewable energy and the like. Staff does not recommend this alternative owing to high acquisition costs and timing to procure personnel and related tools and equipment. Many of these services are also supporting major capital projects and not having the appropriate number of support staff will delay construction at significant cost.

A sustainability program assistance services replacement contract is currently in procurement.


NEXT STEPS

Upon Board approval, staff will continue the implementation of Metro's sustainability program within the total authorized funding amount.

Prepared by: Cris B. Liban, Executive Officer, Environmental Compliance/Sustainability, (213) 922-2471

Reviewed by: Richard Clarke, Chief Program Management Officer, (213) 922-7557

Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer