



Board Report

File #: 2019-0153, File Type: Contract

Agenda Number: 31.

CONSTRUCTION COMMITTEE APRIL 18, 2019

SUBJECT: PROGRAM MANAGEMENT SUPPORT SERVICES

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE:

- A. An increase to the total authorized funding for Contract No. AE35279 with Kal Krishnan Consulting Services/Triunity Engineering and Management Joint Venture (KTJV), for pending and future Contract Work Orders to provide Program Management Support Services (PMSS) in the amount of \$65,838,110, increasing the authorized funding limit from \$24,970,960 to \$90,809,070, consistent with previous action taken by the Board in June 2017 for the remaining five years of the contract, which includes exercising the option to extend the PMSS contract by two years; and
- B. The Chief Executive Officer or designee to execute individual Contract Work Orders (CWOs) and Contract Modifications within the Board approved contract funding amount.

SOLIS AMENDMENT: that the Board amends Agenda Item No. 31 to authorize funding for two years and direct Metro staff to return in April 2021 with the next request for authorization as well as a report on the contractor's performance.

ISSUE

In June 2017, the Board approved awarding a five-year cost reimbursable fixed fee Contract No. AE35279, plus one two-year option, to KTJV, a DBE Prime Joint Venture, for Program Management support services for a not-to-exceed amount of \$24,970,960 through Fiscal Year 2019. The Board action provided initial funding through the end of FY19 as part of a multiyear contract with an anticipated five-year base contract value of \$63,347,705 plus \$27,461,365 for the two-year option, for a combined total amount not-to-exceed \$90,809,070 for seven years.

BACKGROUND

To date, staff has awarded CWO/Modifications totaling \$24,120,732.10 and has approximately \$850,227.90 of the authorized funding remaining. Attachment B lists the CWO/Modifications executed over the initial two-year funded duration of the PMSS contract. Staff is now seeking the remaining funding in the amount not-to-exceed \$65,838,110 to support PMSS for the next five years of the Contract.

DISCUSSION

Metro is currently undertaking the largest transportation construction program in the nation. This creates an unprecedented challenge to project delivery. Recognizing that staffing is a key factor in project delivery, Program Management is committed to developing strengths in its capacity and capability to ensure the multi-billion dollar capital program can be successfully managed. Attachment D lists the projects that we expect to support over the duration of the PMSS contract.

The PMSS Contract is utilized to assist Program Management in securing sufficient qualified resources across a broad spectrum of disciplines in a timely manner needed to manage and support delivery of Board approved projects. Metro staff works with KTJV to scale staff up or down depending on Metro's transit, highway, regional rail and other capital improvement program needs. Currently, there is a greater reliance on consultants due to the size of Metro's capital program. The Contract terms allow Metro to efficiently and effectively augment Program Management staff to ensure proper resources necessary to manage a project are available to Metro in terms of additional staff and technical expertise.

Scope

To support the aggressive project implementation schedule for delivering Metro's Capital Program, close coordination and expertise across multiple disciplines are required in the following eight key functions: project management, program management, project delivery development support, project control, estimating, configuration management, project management and other technical training, and Project Management Information System (PMIS) support services. In addition, the scope has allowed for contract administration and small business contract compliance support, assisting Vendor/Contract Management (V/CM) to efficiently provide sufficient staffing needed to perform V/CM support activities.

Combining all the above functions together into one contract has allowed for a better coordinated and more efficient allocation of resources for Metro than would be possible under a series of separate contracts. To date, the PMSS contract has succeeded in fulfilling the consultant staffing demand on a program-wide level on various transit, regional rail, highway, and other capital improvement projects.

Contract funds are authorized by issuing separate CWOs for various projects using labor classifications and rates set forth in the contract, with funding solely supported through the Life of Project budget. This method of contracting results in more efficient cost and schedule management, since CWOs and modifications to existing CWOs are negotiated and issued as additional work is identified. For each CWO or modification, Metro prepares a scope of work and an estimate of hours, and KTJV subsequently provides a proposal. Metro and KTJV will fact-find and negotiate the hours if

there is a discrepancy. After agreement, the CWO is issued and the work proceeds.

Consultant Services

To date, KTJV has completed and is continuing assignments on project staff augmentation (WPLE Sections 1, 2, and 3; Crenshaw/LAX; Regional Connector; Blue Line Improvements; West Santa Ana Branch, East San Fernando Valley; Eastside Access; Regional Rail; and State of Good Repair projects support), Metro Gateway staff augmentation (Program Management and Control; Environmental; Disadvantaged Business Enterprise and Small Business Enterprise Contract Compliance; and WinLA support), specialty assignments (constructability review; risk assessment support; procedure writing and training; PMIS; lessons learned/Best Management Practices implementation; and P3 capability development support), and other projects as necessary. KTJV has been responsive and works with Metro staff to provide sufficient qualified resources necessary for Program Management to meet the aggressive implementation schedule for delivering Metro's Capital Program.

DETERMINATION OF SAFETY IMPACT

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

FINANCIAL IMPACT

The not-to-exceed funding amount is based on the anticipated level of services. Funding for these services is included in the adopted FY19 and proposed FY20 budget for the various Metro projects. The individual CWOs will be funded from the associated life-of-project (LOP) budgets that are approved by the Board. The project managers, cost managers and Chief Program Management Officer will be accountable for budgeting the cost in future years, including cost associated with exercising the option.

Impact to Budget

There will be no impact to the FY20 Budget as funds for this action will be included in the budget for each project. Most of the projects are funded with multiple sources of funds: federal and state grants, federal loans, bonds and local sales taxes. Much of local sales taxes are eligible for bus and rail operations and capital improvements. These funds are programmed to state of good repair projects and to augment the costs of mega projects, where eligible and appropriate.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports Strategic Plan Goal #1 - Provide high-quality mobility options that enable people to spend less time traveling. This will be accomplished by providing program-wide support services to assist in delivering multiple capital projects on time and on budget while increasing opportunities for small business development and innovation.

ALTERNATIVES CONSIDERED

The Board may elect to discontinue using KTJV for PMSS. Staff does not recommend this alternative as the Program Management capital projects 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 PMSS is to augment Metro staff in terms of technical expertise and availability of personnel. PMSS are typically required on a periodic or short-term 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 KTJV consultant can provide the technical expertise on an as-needed basis.

NEXT STEPS

Upon Board approval, staff will issue a Contract Modification exercising the two-year option, and issue Contract Work Orders, as needed.

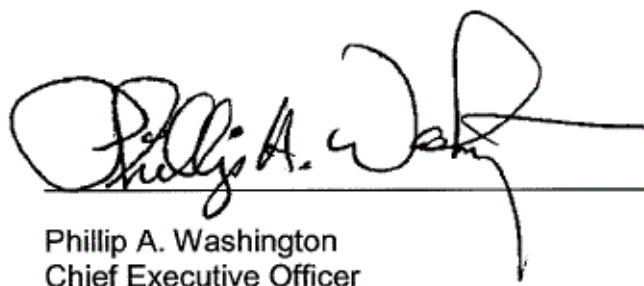
ATTACHMENTS

- Attachment A - Procurement Summary
- Attachment B - Contract Work Order/Modification Log
- Attachment C - DEOD Summary
- Attachment D - Current and Anticipated List of Projects

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