



Board Report

File #: 2022-0718, File Type: Project

Agenda Number: 23.

CONSTRUCTION COMMITTEE
JANUARY 19, 2023

SUBJECT: PROGRAM CONTROL SUPPORT SERVICES

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. AWARD AND EXECUTE a cost reimbursable fixed fee contract, Contract No. PS89856, to Kal Krishnan Consulting Services/Triunity Engineering and Management, a DBE Prime Joint Venture, for Program Control Support Services for a term of five (5) years for a not-to-exceed amount of \$85,000,000, plus two one-year options for an amount not-to-exceed \$38,000,000, resulting in a total not-to-exceed amount of \$123,000,000 through Fiscal Year 2030, with a not-to-exceed funding amount of \$50,000,000 for the first three years of the contract, subject to resolution of any properly submitted protest; and
- B. EXECUTE individual Contract Work Orders and Contract Modifications within the Board approved contract funding amount.

ISSUE

On July 20, 2022, a Request for Proposals was issued for Program Control Support Services (PCSS) to assist Metro in managing and supporting delivery of Metro’s Capital Program for a base term of five years with two one-year options. These services will be required to supplement staffing and provide technical expertise to support project delivery of capital projects and strategic initiatives detailed in the Program Management Plan (PMP) and the Annual Program Evaluation (APE) presented to and approved by the Board.

The PCSS Contract will provide Metro the flexibility to adjust the necessary resources with staff augmentation on an as needed basis to implement and deliver capital projects safely, on-time, and within budget.

Anticipated Not-To-Exceed Value

The recommended Board action will provide initial funding of \$50,000,000 through the end of FY2026

as part of a multiyear contract. Staff will return to the Board mid-FY2026 to request any additional necessary funding for the remainder of the base years and/or any request to execute options. This is a cost-plus fixed fee staff augmentation contract; therefore, the contractor compensation will be based on their actual support required over the life of the contract and will be limited by the Board approved project budget funding.

DISCUSSION

Metro is continuing to undertake 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 Control is committed to developing strengths in its capacity and capability to ensure the multi-billion-dollar capital program can be successfully overseen and managed. Attachment C lists the projects that we expect to support over the duration of the PCSS Contract.

With the volume of work that accompanies Metro's fast-paced Capital program, the proposed PCSS Contract will assist Program Management with supplemental qualified resources across a broad spectrum of disciplines when needed to successfully manage and support delivery of Board approved projects. The selected consultant will scale staff up or down depending on Metro's transit, highway, regional rail, and other capital improvement program needs. The PCSS Contract allows Metro to augment Program Control staff efficiently and effectively, as required, to ensure proper resources needed to manage the projects are available to Metro in terms of staff availability and technical expertise.

Scope

To support the project implementation schedule for delivering Metro's Capital Program, close coordination and expertise across multiple disciplines are required in the following seven key functions: Program Control, Diversity and Economic Opportunity Department (DEOD)/small business and Federal Transit Administration Full Funding Grant Agreement Compliance, Project Control, Cost Estimating, Configuration Management, Project Management and Other Technical Training, and Project Management Information System (PMIS) Support. Combining the above functions together into one contract will allow for a better coordinated and more efficient allocation of resources for Metro than would be possible under a series of separate contracts. Centralized controls resources also supports a uniform and consistent approach for cost, schedule, risk and estimating across projects.

The recommended PCSS contract approach is similar to the construction management support services (CMSS) contracts that are separately awarded to provide consultants who complement Metro staffing and technical expertise needed on each major transit project. However, while the CMSS contracts typically serve individual transit projects, the recommended PCSS contract aims to fulfill the Program Control consultant staffing demand on a program-wide level for multiple transit, regional rail, highway, and other capital improvement projects. Awarding one contract for the program also supports consistency of reporting Metro capital project costs in line with project controls procedures and best practices.

Contract funds will be authorized by issuing separate Contract Work Orders (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 work needs are identified. For each CWO or Modification, Metro prepares a scope of work and an estimate of hours, and the Consultant will subsequently provide a proposal. Metro and the Consultant will fact-find and negotiate the hours if there is a discrepancy. After agreement, the CWO will be issued, and the work shall commence.

Term

Due to the length of time required to deliver many of the major projects, it is recommended that the PCSS contract term be a five-year contract with two one-year options. This provides needed continuity of the services versus the disruption that would result from a short-term contract.

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 contract funding amount is based on the anticipated level of services. The CWOs issued will reflect the actual level of services required to support individual Board-approved projects. The Contract funds are authorized by issuing separate CWOs for various projects using labor classifications and rates set forth in the Contract. 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.

Funding will be included in the approved fiscal year budgets for the various Metro projects utilizing PCSS services. The individual CWOs will be funded from each project's 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 options.

Impact to Budget

There will be no additional impact beyond the approved annual budget or respective project's authorized LOP amounts, where applicable. 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.

EQUITY PLATFORM

Projects likely to utilize PCSS Contract fall under Major Transit Construction, Capital Projects, Rail and Bus Facilities Improvement, and Environmental Compliance which are anticipated to expand multi-modal options for travelers and diversify modes and costs of travel choices. Anticipated projects are located across Los Angeles County, including within and serving Equity Focus Communities

(EFCs). Projects that are likely to utilize this contract in EFCs include Lines A (Blue), B (Red), C (Green), D (Purple), G (Orange), K, and L (Gold) in addition to Highway projects and many more listed on Attachment C, Anticipated List of Projects.

Projects that fall under the Major Transit Construction category are anticipated to increase transit access and connectivity; improve access to key destinations, such as jobs, health care, school, and neighborhood amenities; improve air quality, and reduce household transportation costs for transit riders. Other capital projects are anticipated to expand multi-modal options for travelers through a variety of interventions, including light rail, active transportation infrastructure, and high-occupancy vehicle lane improvements. Infrastructure maintenance and improvements contribute to safe and accessible conditions for Metro riders and the general public, including soundwall protection, wayfinding, grade and modal separation, and transit station upgrades. Regional Rail capital program are anticipated to expand transit and other multi-modal choices for travelers in Los Angeles. Anticipated improvements include improved station access, increased rail capacity, and safer right-of-way improvements between different modes. The Diversity and Economic Development department established a 45% goal for this task order contract. The proposed contractor exceeded the goal by making a 65% DBE commitment.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The 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 choose to have existing or new Metro staff perform these services. This alternative is not practical or cost effective because Metro will have to hire a large workforce and attract expertise dependent on fluctuating projects' needs. PCSS consultants will typically be requested 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 Consultant can provide the technical expertise on an as-needed basis.

NEXT STEPS

After the Board approval of this PCSS Contract, the Contracting Officer will award the Contract in accordance with Metro Procurement Policies and Procedures, and Metro staff will begin to issue Contract Work Orders, as needed.

ATTACHMENTS

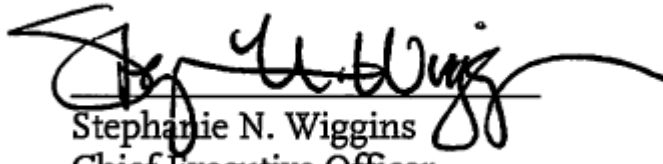
Attachment A - Procurement Summary

Attachment B - DEOD Summary

Attachment C - Anticipated List of Projects

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