

**Metro**Los Angeles County
Metropolitan Transportation AuthorityOne Gateway Plaza
Los Angeles, CA 90012-2952213.922.2000
metro.net**EXECUTIVE MANAGEMENT COMMITTEE
JUNE 21, 2012****SUBJECT: INTEREST-BASED PROBLEM SOLVING****ACTION: AUTHORIZE CONTRACT ACTIONS****RECOMMENDATION**

Authorize the Chief Executive Officer to execute Contract Modification No. 9 to Contract No. OP30101812 with Agreement Dynamics, Inc. to provide interest-based problem solving training consulting services in an amount not to exceed \$150,000 through June 30, 2013, increasing the Total Contract Value from \$877,944 to \$1,027,944.

ISSUE

Since 2006, we have successfully negotiated collective bargaining agreements with the Amalgamated Transit Union (ATU), United Transportation Union (UTU), Transportation Communications Union (TCU), Teamsters and the American Federation of State, County, and Municipal Employees Union (AFSCME) by utilizing an Interest-Based Negotiation (IBN) strategy. This strategy has enabled the negotiations/labor relations process to be more effective and timely and has created a more cohesive group relationship.

The UTU Agreement was ratified in December 2011. Negotiations continue with ATU, TCU, AFSCME and Teamsters.

DISCUSSION

The Scope of Work for contract modification No. 9 will include:

- Interest-based problem solving training with Metro and the Union negotiating teams;
- Planning meetings for ATU, AFSCME, and TCU labor negotiations which are currently on-going;
- Clarification of issues and interests, as well as data collection and analysis;
- Individual consultation with managers and officials and with bargaining unit members and representatives on an as-needed basis to facilitate successful communication and resolution of issues;
- Negotiation facilitation; and

- Post negotiation training and contract implementation.

Because of the in-depth knowledge of our past collective bargaining agreements, current negotiation strategies, and contract related issues faced by the agency, the consultant services of Agreement Dynamics, Inc., cannot be replicated by another source at this critical phase in the negotiations, and are an integral component for successful negotiations.

DETERMINATION OF SAFETY IMPACT

There is no direct impact on safety as a result of this contract modification.

FINANCIAL IMPACT

The funding of \$150,000 for this service is included in the FY13 budget in cost center 2420, Employee & Labor Relations, under project number 100002, Account 50316, Professional Services.

Impact to Budget

The funding is not eligible for Bus & Rail Operating funds.

ALTERNATIVES CONSIDERED

The Board could direct staff to conduct training and labor negotiations using in-house staff or to issue a new competitive procurement for this service. Staff does not recommend the first option due to the specialized nature of this training. While other consultants do provide similar services, the continuity of using the same trainer, who has successfully trained the negotiating teams and acted as a facilitator throughout the process, is invaluable.

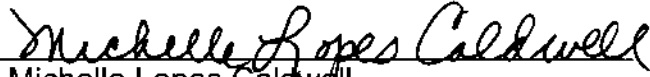
NEXT STEPS

The vendor is currently providing these services; we will continue to use Agreement Dynamics, Inc. until the conclusion of Metro's current labor negotiations. At the conclusion of this round of negotiations, Employee & Labor Relations will seek a new consultant contract to support future negotiations through competitive means.

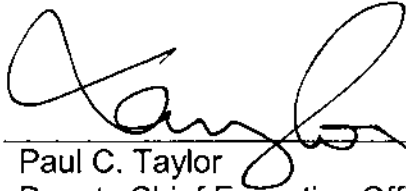
ATTACHMENT

A. Procurement Summary

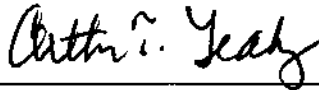
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Michelle Lopes Caldwell
Chief Administrative Services Officer



Paul C. Taylor
Deputy Chief Executive Officer



Arthur T. Leahy
Chief Executive Officer

PROCUREMENT SUMMARY

INTEREST BASED PROBLEM SOLVING PROFESSIONAL SERVICES CONTRACT

1.	Contract Number: OP30101812	
2.	Recommended Vendor: Agreement Dynamics, Inc.	
3.	Type of Procurement (check one) : <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP – A&E <input checked="" type="checkbox"/> Non-Competitive <input checked="" type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: :N/A	
	B. Advertised/Publicized: N/A	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: N/A	
	E. Pre-Qualification Completed:9-7-06	
	F. Conflict of Interest Form Submitted to Ethics: 9-05-06	
	G. Protest Period End Date: 5-23-11	
5.	Solicitations Picked up/Downloaded: N/A	Bids/Proposals Received: N/A
6.	Contract Administrator: Elizabeth Hernandez	Telephone Number: (213) 922-7334
7.	Project Manager: Richard Hunt	Telephone Number: (213) 922-4828

A. Procurement Background

This contract was awarded December 16, 2005 as a non-competitive award in the amount of \$98,555 for training of key LACMTA, ATU and UTU personnel on the Interest-Based Negotiation methodology, as well as negotiation facilitation services.

- Contract Modification No. 1 covered a doubling of the level of effort when it became apparent that the Interest-Based Negotiation method was yielding success at the negotiation table.
- Modification No. 2 called for the same services for an additional nine months period covering new negotiations with Teamsters and contract implementation and training for all labor contracts.
- Modification No. 3 was issued as no cost contract extension through June 30, 2009.
- Contract Modification No. 4 increased the contract in the amount of \$382,925 for additional training and extended the term of the contract through September 30, 2009.

- Contract Modifications No. 5 through 7 incrementally extended the contract term to December 31, 2011.
- Modification No. 8 extended the contract term through June 30, 2012 and increased the contract amount by \$99,864.

B. Background on Recommended Contractor

Agreement Dynamics, Inc. of Seattle, WA, is a consulting firm specializing in Labor Management Relations, Negotiations Facilitation, and Conflict Conversation. Agreement Dynamics expertise and experience in coaching and training public agencies in Interest-Based Negotiations is unique and a proven method for labor contract resolution. Interest-Based Negotiations have successfully been used by Bay Area Transit and Utah Transit. Agreement Dynamics has provided satisfactory service to us.

The proposal submitted by Agreement Dynamics for this modification is consistent with the previous work performed for ATU and UTU negotiations. The same labor rate structure and labor categories defined under the original contract with negotiated updated rates and other direct costs will apply to the requested modification.

C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon a technical evaluation of the tasks and associated costs, and the results of our cost analysis. The rates proposed are mainly for the direct work of Agreement Dynamics' Principal who is required to manage the varying interests of the chief negotiator, negotiation committee, labor union leadership, Metro Board of Directors, and Metro management. Based on comparisons for work performed by corporate principals, the cost elements used to develop the fully burdened hourly rates were determined to be fair and reasonable. All travel expenses shall be approved prior to expenditure and shall be reimbursed for actual costs.

D. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not establish a Small Business Enterprise (SBE) goal on this project.