

**Metro**

Los Angeles County
Metropolitan Transportation Authority

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**CONSTRUCTION COMMITTEE
NOVEMBER 20, 2014**

**SUBJECT: CONSTRUCTION MANAGEMENT CONSULTANT SUPPORT
SERVICES CONTRACT**

ACTION: INCREASE CONTRACT VALUE

RECOMMENDATIONS

- A. Authorize an increase to the total contract value for Contract No. PS100800-2641 with MARRS Services, Inc., to provide Construction Management Consultant Support Services, in an amount not to exceed \$4,288,000, increasing the total contract value from \$5,600,000 to \$9,888,000.
- B. Authorize the Chief Executive Officer to execute individual Task Orders (TOs) and Modifications within the Board approved contract value.

ISSUE

On April 2011, the Board approved a three-year Construction Management Consultant services contract to support Board adopted Bus Facilities Capital Projects for an amount not-to-exceed \$2,500,000. The Board authorization also included staff authority to negotiate and execute two, one-year extension options, if desired. Metro awarded the contract to MARRS Services, Inc., (MARRS) on June 17, 2011, and the expiration date of the three-year base contract was June 17, 2014. Primarily due to exemplary performance, staff has already exercised the two one-year extensions which extended the contract through June 17, 2016. MARRS is a Small Business Enterprise (SBE) company, and have provided CMC services on current bus facilities capital projects including Division 13, Harbor Transitway Improvements, Bus Division Facility Improvements, Harbor Gateway Transit Center Improvements, Slauson Bus Stop Improvements, and a bollard safety project along the San Bernardino (I-10) Freeway. MARRS has performed in an exemplary fashion since initial award of the contract. On July 25, 2013 the Board approved an increase to the total contract value in the amount of \$3,100,000, increasing the total contract value to \$5,600,000. This action

was required primarily to accommodate the addition of the Division 13 project to the MARRS contract which was not in the original scope of work. Due to the current needs of our capital program, and staff's desire to continue using MARRS for CMC services, additional contracting authority is now required to provide CMC support for our bus facility projects.

DISCUSSION

The primary role of the CMC is to provide skilled and qualified staff to support and augment Metro staff with construction management of Metro's bus facilities construction contracts. Both Metro and CMC staff, in most cases, work side-by-side in integrated project management offices (IPMO). In essence, the CMC contract allows us to efficiently and effectively augment Metro Construction Management staff as required, so that the proper resources required to manage a contract are available to us both in terms of staff availability and technical expertise. The CMC contract funds are authorized by issuing separate Task Orders (TOs) 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 TOs and modifications to existing TOs are negotiated and issued as additional work is identified. For each task order or modification, Metro prepares a scope of work and an estimate of hours, and the contractor subsequently provides a proposal. If there is a discrepancy, Metro and the contractor fact-find and negotiate the hours. After agreement, the task order is issued and the work proceeds.

The initial \$2,500,000 was calculated based on three years of small TOs, primarily for inspectors and night-time oversight on construction jobsites for bus facilities capital projects. However, due to exemplary performance and the technical expertise of MARRS staff, the MARRS team has also assisted Metro with its underground storage tank (UST) replacement program and the Division 13 Bus Operations and Maintenance Facility. The single largest TO has been for CMC support on the Division 13 project which will continue through the summer of 2015. For Division 13, MARRS is providing a resident engineer, office engineers, construction field inspectors, schedulers, and an estimator. The addition of Division 13 to the MARRS contract was the primary reason for the July 2013 increase in the MARRS contract value to the current value of \$5,600,000.

As discussed above, staff expects to exercise the final contract extension for MARRS, which would extend the contract through June 17, 2016. The current contracting authorization of \$5,600,000 is already subscribed through Division 13 and other smaller capital projects, and additional contracting authority is now required to continue supporting approved bus facility capital projects through the extended contract period. Furthermore, due to the technical expertise provided by MARRS, staff intends to use MARRS personnel to assist with the Patsaouras Plaza Improvements Project (202317) which will start construction in Spring 2015. A listing of the current task orders, proposed projects, and forecasted task order amounts is included as Attachment B. As

shown on the attachment, the requested contract value through expiration in June 17, 2016 is \$9,888,000.

In regards to small business participation, upon contract award MARRS made an 80% SBE commitment. To date, MARRS has attained 100% SBE participation.

DETERMINATION OF SAFETY IMPACT

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

FINANCIAL IMPACT

The funding for these services is included in the approved FY15 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 and Executive Director, Engineering and Construction, will be accountable for budgeting the cost of the annual work program for each fiscal year for the term of the contract, including any option(s) exercised.

Impact to Budget

Funding for this action will come from various sources eligible for bus/rail facilities capital expenditures and major construction projects funded with specific grant sources. Approval of this action will result in use of funding which are also eligible for Bus and Rail Operations.

ALTERNATIVES CONSIDERED

The Board may elect to discontinue using MARRS Services, Inc., for CMC 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. Given that the MARRS contract will expire in June 2016, staff intends to conduct a new CMC procurement shortly so that a new contractor is available before the existing contract expires.

Another alternative would be to hire Metro staff to perform the required services. This alternative will take time, at least six (6) months to procure and hire new staff. Since the construction projects are in various degrees of completion, this alternative is also

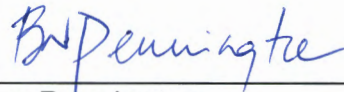
not recommended. Furthermore, for some projects, the specific technical expertise required may not be available within the ranks of Metro staff, whereas the CMC consultant can provide the technical expertise on an as-needed basis. However, for the longer term staff is reviewing its approach to Construction Management, including ramping up Metro staffing.

ATTACHMENTS

- A. Procurement Summary
- B. Contract Modification/Change Order Log

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PROCUREMENT SUMMARY

CONSTRUCTION MANAGEMENT CONSULTANT SUPPORT SERVICES CONTRACT

1.	Contract Number: PS-100800-2641		
2.	Contractor: MARRS Services, Inc.		
3.	Mod Work Description: Increase Contract Value for pending task orders/modifications to support ongoing projects.		
4.	Work Description: Construction Management		
5.	The following data is current as of: August 31, 2014		
6.	Contract Completion Status:		
	Award Date:	6/17/11	Board Approved NTE Amount: \$2,500,000
	Notice to Proceed (NTP):	6/17/11	Total Contract Modification Authority (CMA): \$0
	Orig. Completion Date:	6/17/14	Value of Task Order and mods. issued to date (including this action): \$5,600,000
	Estimated Completion Date:	6/17/16	Remaining Board Approved NTE Amount: \$0
7.	Contract Administrator: Frederick Origel	Telephone Number: (213) 922-7331	
8.	Project Director: Jim Gleig	Telephone Number: (213) 922-7453	

A. Contract Action Summary

This Board Action is to increase the contract NTE value. All task orders and contract modifications are handled in accordance with Metro's acquisition Policy. The contract type is Time and Material.

In April 2011, the Board authorized the CEO to award Contract PS-100800-2641 to MARRS Services, Inc. and execute individual Task Orders within the Board approved contract value (Item # 3). This recommended action is to increase the contract value for pending task orders and modifications.

Attachment B shows task orders and modifications issued to date, and the additional task orders and modifications that are currently pending authorization.

B. Cost/Price Analysis

The price for all future task orders and modifications will be determined to be fair and reasonable based on audit of the labor and overhead rates, cost analysis, technical evaluation, fact finding, and negotiations.

C. Small Business Participation

A total of fourteen (14) Contract Task Orders (TO) have been awarded to date. MARRS Services, Inc. made an 80.0% DBE commitment. MARRS Services, Inc.'s current DBE participation to date is 100.0%. Safework, Inc. and Simplex Construction Management are listed to provide site safety reviews and engineering services; however, the Task Orders awarded to date pertain to inspection work.

SMALL BUSINESS COMMITMENT	80.00% DBE	SMALL BUSINESS PARTICIPATION	100.00% DBE
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	DBE Prime and Subcontractors	Status	Ethnicity	% Committed	Participation¹
1.	MARRS Services, Inc.	Performing	Subcontinent Asian American	74.00%	98.89%
2.	Safework, Inc.	Will Perform	Non-Minority Female	2.00%	0.00%
3.	Simplex Construction Management	Will Perform	Subcontinent Asian American	2.00%	0.00%
4.	Ramos Consulting Services	Performing	Hispanic American	2.00%	0.11%
Total Commitment				80.00%	100.00%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

ATTACHMENT B

CONTRACT TASK ORDER/ MODIFICATION LOG

CONSTRUCTION MANAGEMENT CONSULTANT SUPPORT SERVICES CONTRACT

Task Order/Mod No.	Description	Status	Cost
1	Division 13	Approved	\$3,893,918
2	Environmental Services UST Support	Approved	\$668,992
3	Safety Bollards on I-10	Approved	\$33,475
4	Harbor Transitway CDRP	Approved	\$38,193
5	Bus Facilities Improvements	Approved	\$291,347
6	Slauson Bus Stop Amenity Improvements	Approved	\$40,765
7	Artesia Transit Center Improvements	Approved	\$8,256
8	Location 61 Roof Replacement	Approved	\$53,045
9	Rail Operations – Red Line	Approved	\$10,617
10	Bus Facilities Improvements and Enhancements II	Approved	\$102,255
11	Wilshire Customer Service Center	Approved	\$38,569
12	Patsaouras Plaza Bus Station Construction	Approved	\$32,889
13	Environmental Field Inspection – UST LA Times Bldg.	Approved	\$86,956
14	FY15-17 Fuel Storage Tank Systems 202211	Approved	\$300,732
1	Division 13 (FY15)	Pending	\$990,000
1	Division 13 (FY16)	Pending	\$240,000
2	Environmental Services UST Support FY15	Pending	\$200,000
2	Environmental Services UST Support FY16	Pending	\$200,000
3	Facilities Improvements (202306)	Pending	\$100,000
12	Patsaouras Plaza Bus Station Construction FY15	Pending	\$950,000
12	Patsaouras Plaza Bus Station Construction FY16	Pending	\$950,000
TBD	Silver Line Improvements (202319) FY15	Pending	\$90,000
TBD	Silver Line Improvements (202319) FY16	Pending	\$100,000
10	Facilities Improvements (202320) FY15	Pending	\$100,000
10	Facilities Improvements (202320) FY16	Pending	\$100,000
TBD	Facilities Improvements Div 1 (202324)	Pending	\$100,000
TBD	Facilities Improvements BRT (202326)	Pending	\$118,000
TBD	Terminal 47 and 48 Corrosion	Pending	\$50,000

Subtotal – Approved Task Orders/Modifications	\$5,600,000
Subtotal – Pending Changes/Modifications	\$4,288,000
Total Mods/Task Orders and Pending Task Orders/Changes (including this request)	\$9,888,000
Prior CMA and Contract Value Authorized by the Board (including award and modifications)	\$5,600,000
Increased CMA and Contract Value for this recommended action	\$4,288,000
Total CMA and Contract Value including this action	\$9,888,000
Remaining CMA for Future Changes	0