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Metropolitan Transportation Authority

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
APRIL 16, 2015**

SUBJECT: SPACE PLANNING/INSTALLATION SERVICES AND WORKSTATIONS

ACTION: INCREASE CONTRACT MODIFICATION AUTHORITY

RECOMMENDATION

Authorize the Chief Executive Officer to increase Contract Modification Authority to Contract No. PS11643055 with the Sheridan Group to provide space planning, workstation acquisitions, installation services, and furniture from \$500,000 to \$1,500,000 for an increase of \$1,000,000.

ISSUE

During the term of this master agreement (since May 2011), various departments have utilized the services to expedite the design, the acquisition and installation of the various furniture components under this contract for both existing and new facilities to support Measure R and other Metro projects. New facilities that have utilized this contract are Division 13, One Santa Fe, and Gateway building making smaller cubicles to accommodate additional staff. To support the agency's mission of increasing the transportation needs of the county, a modification to increase the contract modification authority is required prior to the contract term expiration.

DISCUSSION

This contract type is an indefinite delivery, indefinite quantity, which has secured favorable pricing through May 2016. The pricing is per catalog pricing and the labor rates for the design/installation services are set by the contract. The only variable is the quantity and types of furniture/services required. The contract provided staff the authority to purchase up to \$5,000,000 of services and equipment during the contract term. This process assisted and will continue to assist the various agency top projects to be completed utilizing an accelerated schedule.

These new facilities include independent project offices and new operating facilities to support the expansion of the Metro system. This contract allowed Metro staff to exercise fiscal responsibility by continuing the practice of combining space planning and workstation acquisition into a single contract to streamline the business process and reduce prices.

From inception through January 2015, a total of approximately \$3,800,000 has been spent and/or ordered by various Metro departments for the services under contract. With the implementation and planning for the new transit services, staff at Gateway has increased, thus requiring more, along with smaller cubicles to accommodate this growth. It is projected that General Services will continue to order more furniture components than previously estimated.

To support the transit system expansion, the Santa Monica Expo and Foothill projects will cost approximately \$1,200,000 which will spend the remaining contract value. Staff is requesting additional contract modification authority to support furniture/space requirements at the following locations: Division 11 Transportation, Division 18 Maintenance, Division 20 Vehicle Acquisition, Division 21 Maintenance, Division 22 Maintenance, Storerooms, and the Central Warehouse Stations.

DETERMINATION OF SAFETY IMPACT

By standardizing with one furniture manufacturer, it assures that all the components are safe, installed correctly and interchangeable. This enhances the safety of the office facility for the users.

FINANCIAL IMPACT

Partial funding for this contract in FY15 is in cost center 6430 (Building Services) account 50308 (Services Contract Maintenance). The remaining funding is coming from multiple cost centers within Operations on an as-needed basis. The cost center manager and Executive Director will be accountable for future budgeting for this contract.

Impact to Budget

Partial funding for this project is allocated through General Overhead funding which is based on MTA's federally approved indirect-cost-allocation plan which distributes costs agency-wide including eligible bus and rail operating projects. The remaining funding for this project will come from the Enterprise Fund. No other funds were considered as these fund sources are an appropriate use for these activities.

ALTERNATIVES CONSIDERED

One alternative is not to increase the contract authority for this contract and let the various transit system expansion/improvement projects procure their own design and installation of furniture. This alternative is not recommended due to the additional time and cost in pursuing this alternative and would not be fiscally responsible for the agency.

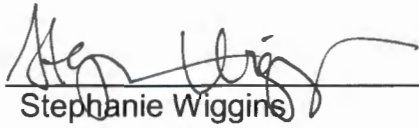
NEXT STEPS

Upon approval, staff will increase the contract authority to allow system expansion projects the ability to utilize the master contract.

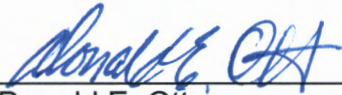
ATTACHMENTS

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

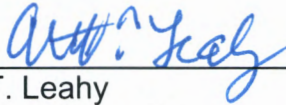
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PROCUREMENT SUMMARY

SPACE PLANNING/INSTALLATION SERVICES AND WORKSTATIONS

| | | | |
|----|--|--------------|---|
| 1. | Contract Number: PS11643055 | | |
| 2. | Contractor: Sheridan Group, Inc. | | |
| 3. | Mod. Work Description: Space Planning/Installation Services, and Workstations | | |
| 4. | Contract Work Description: Space Planning/Installation Services, and Workstations | | |
| 5. | The following data is current as of: March 20, 2015 | | |
| 6. | Contract Completion Status | | Financial Status |
| | Contract Awarded: | May 26, 2011 | Contract Award Amount: \$5,000,000 |
| | Notice to Proceed (NTP): | n/a | Total of Modifications Approved: \$0 |
| | Original Complete Date: | May 31, 2016 | Pending Modifications (including this action): \$0 |
| | Current Est. Complete Date: | May 31, 2016 | Current Contract Value (with this action): \$5,000,000 |
| 7. | Contract Administrator: Jean Davis | | Telephone Number: 213-922-1047 |
| 8. | Project Manager: Paul Gomez | | Telephone Number: 213-922-24888 |

A. Procurement Background

This action is to increase the Contract Modification Authority by \$1,000,000 for Contract No. PS11643055, which was awarded by the Board as Item No. 10 in May 2011 for \$5,000,000 to McAllister Office Pavilion to support departmental requirements for obtaining services to expedite the design, purchase, and installation of the various furniture components for both existing and new facilities. The contract was subsequently assigned to The Sheridan Group, Inc. as a result of the acquisition of McAllister Office Pavilion by The Sheridan Group, Inc.

Attachment B shows the modifications that have been issued to date.

B. Cost/Price Analysis

The recommended price of any future changes will be determined to be fair and reasonable based upon cost analysis, technical evaluation, fact finding, and negotiations. Any future modifications will be processed in accordance with Metro's Acquisition Policies and the contract type will be an indefinite delivery/indefinite quantity.

C. Small Business Participation

The contract was originally awarded in November 2011 to McAllister Office Pavilion who made a 0% Disadvantaged Business Enterprise Anticipated Level of Participation (DALP) commitment. McAllister, in good faith, outreached to Burditt Designs, a non-DBE subcontractor who later became DBE certified on April 16, 2012. On October 29, 2012, McAllister was bought out by Sheridan Group. After assuming the contract, Sheridan Group continued to utilize Burditt Designs and their current DBE participation¹ of 0.10%. Sheridan Group has reaffirmed a 5% DBE commitment for the new contract modification amount.

| | | | |
|---|----------------|--|-------------------|
| DISADVANTAGED BUSINESS ENTERPRISE ANTICIPATED LEVEL OF PARTICIPATION (DALP) COMMITMENT | 5% DALP | DISADVANTAGED BUSINESS ENTERPRISE ANTICIPATED LEVEL OF PARTICIPATION (DALP) | 0.10% DALP |
|---|----------------|--|-------------------|

| | DBE Subcontractor | Ethnicity/Gender | % Commitment | Current Participation¹ |
|----|--------------------------|-------------------------|-------------------------|--|
| 1. | Burditt Designs | Non-Minority Woman | 5% | 0.10% |
| | Total DALP | | 5% | 0.10% |

¹ Current Participation = Paid-to-Date to Sub/Paid-to-Date to Prime

D. Living Wage & Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.

CONTRACT MODIFICATION/CHANGE LOG

SPACE PLANNING/INSTALLATION SERVICES AND WORKSTATIONS

| Mod No. | Description | Status | Cost |
|---|---|---------------|-------------|
| 1 | Change the Herman Miller product name "Vivo" to "Canvas Office Landscape". | Approved | \$0 |
| 2 | Contract assigned from McAllister Office Pavilion to The Sheridan Group, Inc. | Approved | \$0 |
| Subtotal – Approved Modifications | | | \$0 |
| Original CMA Authorized by the Board | | | \$500,000 |
| Balance Remaining – CMA Authorized by the Board | | | \$500,000 |
| CMA Necessary to Execute Pending Changes/Mods + Possible Claims | | | \$1,000,000 |
| CMA Remaining for Future Changes/Mods after this Action | | | \$1,500,000 |