



File #: 2020-0482, File Type: Oral Report / Presentation

Agenda Number: 46.

**EXECUTIVE MANAGEMENT COMMITTEE
AUGUST 20, 2020**

SUBJECT: RESPONSE TO MOTION 21.1 - VOLUNTARY REDUCTION OF FEES FOR METRO CONSULTANTS

ACTION: ORAL REPORT

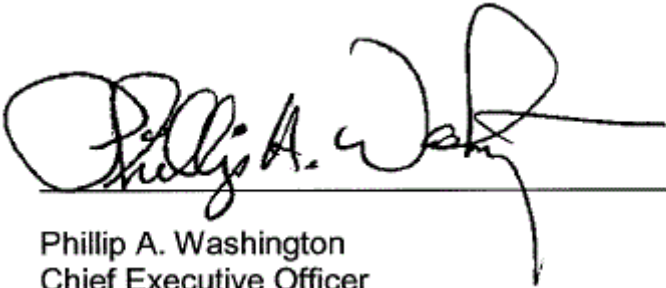
RECOMMENDATION

RECEIVE oral report on voluntary reduction of fees for Metro consultants.

ATTACHMENT

Attachment A - Motion 21. 1 - Voluntary Reduction of Fees for Metro Consultants

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Phillip A. Washington
Chief Executive Officer



Metro

Board Report

File #: 2020-0443, **File Type:** Motion / Motion Response

Agenda Number: 21.1.

**REGULAR BOARD MEETING
JUNE 25, 2020**

Amending Motion by:

DIRECTORS SOLIS, BUTTS AND DUPONT-WALKER

Related to Item 21: Airport Metro Connector Project

Voluntary Reduction of Fees for Metro Consultants

In response to declining revenues caused by the COVID-19 pandemic, Metro has launched a number of cost-saving strategies across the agency's portfolio of projects, programs and services. One of these strategies involved requesting a voluntary reduction in fees from all consultants, which has been communicated verbally by Chief Executive Officer Phil Washington to all consultants. However, Metro's Transportation Business Advisory Council (TBAC) recently conducted a survey of TBAC members as well as the business community at large and found that several Metro subconsultants are under the impression that the requested reduction in fees is mandatory, which places additional undue burdens on businesses already struggling to weather the pandemic. Ninety-three percent of businesses in Los Angeles County have less than 20 employees, and it is these businesses that are bearing the brunt of economic impacts. Metro should ensure that consultants are relaying accurate information to their subconsultants to prevent small, disadvantaged, and disabled veteran businesses from unnecessarily reducing their own revenues.

SUBJECT: VOLUNTARY REDUCTION OF FEES FOR METRO CONSULTANTS

RECOMMENDATION

APPROVE Amending Motion by Directors Solis, Butts, and Dupont-Walker that the Board direct the Chief Executive Officer to require all consultants considering a voluntary fee reduction under a Metro contract to certify in writing within 30 days that:

1. All of their subconsultants have been informed that any request from Metro for reductions in fees is voluntary and not mandatory; and
2. Any reduction in fees applied to a contract will be applied to all consultants and subconsultants at the same rate in order to prevent subconsultants from bearing the entirety of any

reductions, with exemptions for businesses that contribute to federal or Metro-established participation goals established for the contract.

Report back at the next Executive Management Committee meeting, identify any consultant that has not submitted such certification and take action as appropriate to ensure compliance from those identified.