



## Board Report

File #: 2020-0646, File Type: Project

Agenda Number: 38.

### CONSTRUCTION COMMITTEE JANUARY 21, 2021

**SUBJECT: SUSTAINABILITY PROGRAM ASSISTANCE SERVICES**

**ACTION: AWARD CONTRACT**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO):

- A. To award and execute a five (5) year contract, Contract No. PS66866, with Cumming Management Group Inc. for Sustainability Program Assistance Services on Task Orders for a total amount not-to-exceed \$23,800,000 inclusive of three base years (not to exceed \$14,000,000) with two one-year options (option year one = \$4,850,000 and option year two = \$4,950,000.) Staff will return to the Board to approve the two one-year options.
- B. To award individual Task Orders and changes up to the Not-to-Exceed contract amount of \$14,000,000; and
- C. AUTHORIZING Contract Modification Authority (CMA) in the amount of \$2,380,000 (10% of the not-to-exceed contract amount) and authorizing the CEO to award and execute individual task order, changes and/or modifications within the CMA amount.

#### **ISSUE**

The Los Angeles County Metropolitan Transportation Authority (Metro) has implemented a sustainability program since 2007. This program has become part of our agency's culture. We have incorporated sustainability and resiliency principles specifically focused on climate, energy, water and resource conservation and management in all of the things we plan, design, construct, operate, maintain and procure. In addition to the environmental and social benefits that our agency derived from these programs, we have also received financial benefits that have facilitated the unprecedented expansion of our initiatives and our portfolio of sustainable and resilient infrastructure. The need for more efficient and cost-effective management of this program comes at a very opportune time, specifically given our current financial agency-wide COVID-19 related constraints.

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The Board adoption of our 10-year Sustainability Strategic Plan *Moving Beyond Sustainability (MBS)* facilitates the implementation of a more audacious sustainability and resiliency vision; and we need continual support. The proposed contract award Contract No. PS66866, with Cumming Management Group Inc. is designed to assist us in the implementation of our vision, particularly focusing on the execution of the strategies and actions described in MBS.

This contract will enhance staff's internal ability to plan, develop, design, track, and oversee the sustainability strategies and actions. Having a consultant workforce support for MBS implementation provides seamless opportunity to scale up and down on our program implementation as our agency comes out of the continuing impacts of the COVID-19 pandemic.

## **DISCUSSION**

Metro's sustainability program formally began in 2007 with the adoption of the Metro Energy and Sustainability Policy. A year later, the Metro Board approved the hiring of two full-time equivalents reporting one each to the Metro Planning Department and another to the Metro Environmental Compliance and Sustainability Department (ECSD). With the hiring of our Chief Sustainability officer in December 2019, the separate but parallel efforts of sustainability and resiliency housed in the two departments are now consolidated into one and now holistically managed through ECSD. Sustainability as a culture cannot be achieved through one department however. Our agency's sustainability and resiliency are part of our culture and similar to safety, is everyone's responsibility.

Seen as the gold standard in the transit industry, this program has also grown to include more than 150 separate initiatives that positively impact our agency and our region. That explosive growth from modest beginnings was not achieved by accident. The successes we have seen and the challenges we overcame were achieved through the deliberate planning of sustainability and resiliency projects and the procurement of consultant resources to support the overall program.

This program has also seen significant success in the area of environmental finance. In 2014, the Metro Board approved a policy for staff to explore and implement alternative forms of funding and financing our sustainability and environmental programs. That policy resulted in new responsibilities, revenue generating opportunities, and the ability to address operational sustainability while ensuring resiliency and maintaining a state of good repair. For example, the close collaboration of ECSD, Metro's OMB, and Treasury resulted in the development and execution of carbon credits and environmental monetization initiatives and Metro's Green Bonds program.

Metro's sustainability program has been cost-neutral since 2017. Any excess monetized benefits are put into the Board adopted Green Fund, portions of which are re-used back into the sustainability program and to build sustainable and resilient infrastructure through the capital projects, state of good repair projects, or as individual projects such as solar panels and recycled water pipelines among others. These infrastructures are all used for the environmental and social sustainability benefit of our system, and in turn the overall region.

Since 2007, technology has also evolved rapidly relative to climate science, energy, water, and resource management. As our program grew, more and more of our generic environmental and sustainability contracts have become more specialized to address specific elements of our sustainability projects. Management of the sustainability program has therefore become more robust

and complicated with multiple efforts simultaneously getting implemented while strategic goals are developed.

Continual improvement is at the heart of these efforts. Using the Board adopted tool, our ISO 14001-2015 certified environmental management system, we were able to put order in the oversight of our program. The Metro CSO continues to be at the center of this governance. In addition to current Metro staff, the CSO and his staff need the additional program management support offered through Contract No. PS66866 but whose number of support staff could be seamlessly increased or decreased as needed.

To this end, staff has solicited for a Sustainability Program Assistance Services contract. The selected consultant will provide as-needed analysis, studies, surveys, investigations, modeling, predictions, and/or reports related to the operation and maintenance of Metro's transportation system, facilities, and support activities. The Contract No. PS66866, with Cumming Management Group Inc. has been selected to support of the Metro CSO, Metro staff, and other consultants to ensure cohesive, cost-effective, and seamless MBS implementation agency-wide.

The consultant will also support Metro staff from time to time in the execution of activities related to the Metro Sustainability Council as well as Metro's activities that are performed with our strategic partners such as the County and City of LA, other cities and special jurisdictions across our region, and similar entities.

Attachments A and C provide the procurement process and DEOD summary (i.e., proposed small and disadvantaged business utilization) of this contract. Attachment B provides the major types of activities that Cumming Management Group Inc. will provide as a service to Metro under Contract No. PS66866 over the life of this contract.

### **DETERMINATION OF SAFETY IMPACT**

This Board action will not have an adverse impact on safety standards for Metro. The outcomes and work products of Contract No. PS66866 will increase safety enterprise-wide. Sustainability-related projects and programs are programmed, designed, and implemented to increase environmental benefits of our sustainable infrastructure and programs. They also equitably provide health and safety of our staff and enhance the customer experience of our system.

### **FINANCIAL IMPACT**

Contract No. PS66866 will be an Indefinite Delivery/Indefinite Quantity (IDIQ) contract. No MTA funds are obligated until a Contract Work Order (CWO) is issued by a Metro authorized Contracting Officer against a valid project budget. No expenditures are authorized until a Task Order is awarded by a Metro authorized Contracting Officer for a specific package of work within the CWO. All task orders are to be individually negotiated and level of effort fully defined prior to the authorization of any project specific funds. Execution of work under those Task Orders within those CWO awards can continue beyond the contract end date.

Obligations and authorizations made within the total Contract Amount will be against specific project or operations budgets which make up the Board-approved Metro budget for any particular fiscal year.

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Specific funding for this contract will parallel the project approved by Board under separate actions. The Chief Sustainability Officer, Chief Program Management Officer, and Project Managers of each of the projects will be responsible for developing and overseeing the appropriate annual budgets.

### Impact to Budget

The initial source of funds for this contract is included in the FY21 budget under Project Number 450003 - Sustainability Environment, Cost Center 8420 Environmental Compliance and Services, Account 50316 Professional and Technical Services. Usage of bus and rail operations eligible funds for CWOs will be limited to work orders directly impacting the Operations.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This professional services contract will support the implementation of Metro's Strategic Plan Goals, with specific alignment to Initiative 5.2 - Exercise good public policy judgement and sound fiscal stewardship, and Initiative 5.4 - Apply prudent commercial business practices to create a more effective agency.

Contract No. PS66866 will support these strategic goals by: 1) advancing operational efficiency; 2) generating cost savings through only as needed use of consultant support for the achievement of our MBS goals.

### **ALTERNATIVES CONSIDERED**

In the past, the Board of Directors have provided significant guidance in Metro's vision of sustainability. Many projects have been implemented, constructed, and currently being maintained to fulfill this vision. These programs and projects have provided significant financial, employee welfare, and enhanced customer experience for our agency. The implementation of the recently approved 10-year sustainability strategic plan will continue to build on these achievements. Contract PS66866 is designed to provide the needed project management support to continue the implementation of Metro's sustainability program, especially the implementation, tracking, and reporting of MBS strategies and actions.

During the last five years, the Metro Board has also approved various plans and projects to achieve reductions in operational greenhouse gas emissions; implement innovative approaches and strategies to enhance customer experience, reduce limited natural and energy resource use; investigate public-private partnerships to supplement limited funds to design, build, operate, and maintain sustainability related infrastructure; and increase operational efficiency. Metro's sustainability program administered through ECSD has executed significant portions of that mandate; and will continue to do so using all of the sustainability-related consulting contracts (including Contract No. PS66866) to supplement current Metro staff.

Staff can solicit and award individual contracts every time additional staff is needed for oversight in any of the programmed sustainability-related efforts. We are not recommending this option. Individually procuring these micro-contracts have associated inconsistent and most likely cumulative higher administrative and execution costs, especially in a sustainability program as large as Metro's. As many of our projects overlap with one another in a single major capital project or facility, having

multiple consultants with overlapping skills will cause delays and result in administrative inefficiencies.

### **NEXT STEPS**

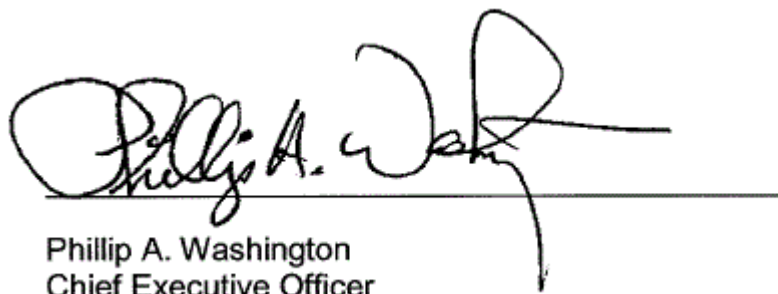
After the recommended Board Action is approved, staff will execute the conformed contract and proceed with issuing Contract Work Orders and Task Orders. Material activities and work products relative to the support provided by Contract No. PS66866 are going to be included in the annual Metro Sustainability Report. The annual Sustainability Report has been published every late spring or summer since 2010.

### **ATTACHMENTS**

- A. Procurement Summary
- B. Estimated SPAS Contract Value - FY21 to FY25
- C. DEOD Summary

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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

**SUSTAINABILITY PROGRAM ASSISTANCE SERVICES  
CONTRACT NO. PS66866**

1.	<b>Contract Number:</b> PS66866	
2.	<b>Recommended Vendor:</b> Cumming Management Group Inc.	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input checked="" type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> January 7, 2020	
	<b>B. Advertised/Publicized:</b> January 8, 2020 (Periodicals of General Circulation)	
	<b>C. Pre-Proposal Conference:</b> January 21, 2020	
	<b>D. Proposals Due:</b> March 24, 2020	
	<b>E. Pre-Qualification Completed:</b> May 27, 2020	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> April 7, 2020	
	<b>G. Protest Period End Date:</b> November 30, 2020	
5.	<b>Solicitations Picked up/Downloaded:</b> 58	<b>Proposals Received:</b> 1
6.	<b>Contract Administrator:</b> Daniel A Robb	<b>Telephone Number:</b> (213) 922-7074
7.	<b>Project Manager:</b> Alvin Kusumoto	<b>Telephone Number:</b> (818) 974-8610

**A. Procurement Background**

This Board Action is to approve the award of Contract No. PS66866, Sustainability Program Assistance Services to Cumming Management Group, Inc. to provide architect, engineer (A&E) consulting services in the form of staff augmentation for a wide range of projects, in support of Metro's Environmental Compliance and Sustainability Department (ECSD). Efforts would include climate, energy, water and resource conservation and management. Board approval of contract awards are subject to resolution of any properly submitted protest.

The recommended consultant will furnish all the labor, materials, and other related items required to perform the services on a Contract Work Order basis for a project, under which specific Task Orders will be issued for specific Scopes of Services and Period of Performance.

The Request for Proposals (RFP) was an Architect & Engineer (AE), qualifications based procurement process performed in accordance with Government Code §4525-4525.9 and Metro's Acquisition Policies and Procedures. The contract type is a Cost Plus Fixed Fee (CPFF). The Contract is for a term of three (3) years plus 2 one-year options.

One (1) Amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on February 7, 2020, amended the Letter of Invitation to extend the Proposal due date. Revised Organizational Conflict of Interest language Included a list of DBE Certified Firms, Form 60 and Form 60 Instructions. Experience and Performance Questionnaire and SPAS Estimated Annual Hours.

One proposal was received on March 24, 2020 from Cumming Management Group, Inc.

It was determined that evaluating one proposal was valid, because robust competition was present at the Preproposal Conference held on January 17, 2020, which 25 firms attended. After a single proposal was submitted, Metro completed an extensive survey of potential proposers (approximately 20) and found that many did not propose for various business reasons. In addition, the one proposer is the incumbent and prices/costs have been closely scrutinized to determine consistency with the current contract and are fair and reasonable for the new contract.

**B. Evaluation of Proposals**

The Proposal Evaluation Team (PET) was comprised of representatives from the following departments: Environmental Compliance and Sustainability, Construction Management, Program Control, and Third Party Administration and they conducted a comprehensive evaluation of the proposal received.

The proposal was evaluated based on the following evaluation criteria and associated weightings:

Experience, Qualifications, and Capabilities of Firms on the Team and Key Personnel.....	(35%)
Effectiveness of Management Plan.....	(20%)
Understanding of Work and Appropriateness of Approach for Implementation.....	(25%)
Innovative Sustainable Practices and Experience.....	(20%)

The evaluation criteria are appropriate and consistent with criteria developed for other, similar Architect & Engineer, and other consulting services procurements. Several factors were considered when developing the criteria weightings, giving the greatest importance to the Experience, Qualifications and Capabilities of the Firms and Key Personnel on the Consultant’s Team, and Effectiveness of Management Plan.

This is an Architect & Engineer qualifications based procurement therefore, price cannot be used as an evaluation factor pursuant to state and federal law.

The one proposal received is listed below:

Cumming Management Group, Inc.

During the week(s) of April 29, 2020 through May 13, 2020, the PET evaluated and scored the proposal.

### **Qualifications Summary of Recommended Firm:**

The evaluation performed by the PET determined Cumming Management Group, Inc. as the qualified firm and team to provide Sustainability Program Assistance Services, as provided in the RFP Scope of Services.

Cumming Management Group, Inc. demonstrated, in their written proposal a team with qualifications, experience and capabilities that substantially meets RFP minimums requirements. The organizational structure and management team structure is well-organized and intuitive. Program controls are sufficiently detailed to instill confidence in the Cumming Management Group, Inc.'s ability to effectively manage the program.

Cumming Management Group, Inc's proposal demonstrated a thorough understanding of an approach to the work and how each element builds off of, or contributes to, the overall work program/sustainability goals of the agency. Case studies provided demonstrates the experience and institutional competence to effectively provide the professional services required.

Cumming Management Group, Inc. demonstrated clear experience and capabilities in developing innovative practices and methods as well as an understanding of the methods and tools that the team will use to identify develop and implement innovative sustainability, consulting services and initiative for Metro facilities.

Their team consists of numerous highly qualified team members with extensive experience including well qualified subconsultants and an effective Management Plan, which substantially met the RFP minimum requirements and exceeded in some major areas.

The Proposal Evaluation Team (PET) evaluated the proposal, and assessed major strengths, weaknesses and associated risks of the Proposer to determine the qualifications of the firm. The final scoring was based on evaluation of the written proposal received from the Proposer. The results of the scoring are shown below:



1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>Cumming Management Group, Inc..</b>				
3	Experience, Qualifications, and Capabilities of Firms on the Team and Key Personnel	85.28	35%	29.85	
4	Effectiveness of Management Plan	89.88	25%	22.47	
5	Understanding of Work and Appropriateness of Approach for Implementation	89.10	20%	17.82	
6	Innovative Sustainable Practices and Experience	89.60	20%	17.92	
7	<b>Total</b>		<b>100.00%</b>	<b>88.06</b>	<b>1</b>

### C. Cost Analysis

The recommended total estimated cost has been determined to be fair and reasonable based upon a cost analysis of labor rates, indirect rates and other direct costs completed in accordance with Metro's Procurement Policies and Procedures. Metro negotiated and established indirect cost rates and as appropriate provisional indirect (overhead) rates, plus a fixed fee factor to establish a fixed fee amount based on the total estimated cost for task orders, during the contract term to compensate the consultant.

Audits will be completed, where required, for those firms without a current applicable audit of their indirect cost rates, other factors, and exclusion of unallowable costs, in accordance with Federal Acquisition Regulation (FAR) Part 31. In order to prevent any unnecessary delay in contract award, provisional overhead rates have been established subject to Contract adjustments. In accordance with FTA Circular 4220.1.f, if an audit has been performed by any other cognizant agency within the last twelve-month period, Metro will receive and accept that audit report for the above purposes rather than perform another audit.

<b>Proposer: Cumming Management Group, Inc..</b>			
<b>Contract Duration</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>NTE Funding Amount</b>
Base Period – 3 Years	N/A <sup>(1)</sup>	\$13,975,000. <sup>(2)</sup>	\$14,000,000. <sup>(2)</sup>
Option Year 1	N/A <sup>(1)</sup>	\$4,846,000. <sup>(3)</sup>	\$4,850,000. <sup>(3)</sup>
Option Year 2	N/A <sup>(1)</sup>	\$4,943,000. <sup>(4)</sup>	\$4,950,000. <sup>(4)</sup>

(1) A proposal amount was not applicable. This is a Cost Plus Fixed Fee (CPFF) Task Order Contract with no definable level of effort for the Scope of Services. Hourly labor rates, overhead and fee were negotiated and determined to be fair and reasonable.

(2) The amount \$13,975,000. is the Independent Cost Estimate (ICE) for 3-year base Period of the Contract.

(3) The amount \$4,846,000. is the Independent Cost Estimate (ICE) for Option Year 1 Period of the Contract.

(4) The amount \$4,943,000. is the Independent Cost Estimate (ICE) for Option Year 2 Period of the Contract.

The Sustainability Engineering Services Independent Cost Estimate (ICE) was established based on the anticipated Scope of Services developed for the Contract. The probable costs are based on the anticipated level of effort estimated for each year that will be required to perform the Scope of Services by the Consultant and sub-consultants.

**D. Background on Recommended Consultant**

Cumming Management Group, Inc. (Cumming) is a privately held California corporation that provides consultancy services across the globe in a wide variety of fields, including environmental, sustainability, and support services. Since opening for business in 1996, Cumming has grown consistently and substantially. Today, they have nearly 950 team members and 36 offices worldwide including their Los Angeles headquarters office. They work with private and public sector clients and provide professional services, including engineers, scientists, and related technical and project support personnel.

Cumming Management Group, Inc. and their proposed team have worked on various local and global projects, including various Metro projects and local public agency programs. Their team has expertise and specific knowledge of Metro programs, systems and facilities.

**Sustainability Consultant Contract - SPAS Activities & Estimated Contract Value**

**ATTACHMENT B**

updated: 4/4/2019

<b>SPAS: EMS, Training, and Sustainability Program Guidance</b>	<b>No. of Units (yrs., projs., etc.)</b>	<b>Est. Consult. Svc. Amount</b>	<b>Consultant Svcs. per Unit</b>
<b>a. EMS Program Maintenance Support</b>	<b>5 years</b>	<b>\$7,500,000</b>	<b>\$1,500,000</b>
<b>b. Environmental Training Institute</b>	<b>5 years</b>	<b>\$2,500,000</b>	<b>\$500,000</b>
<b>c. Sustainability Policies, Programs, and Guidance</b>	<b>5 years</b>	<b>\$3,500,000</b>	<b>\$700,000</b>
1. Sustainability Policy Development	5 years	\$750,000	\$150,000
2. Coordinate Sustainability Projects and Initiatives	5 years	\$500,000	\$100,000
3. Sustainability Program Guidance and Oversight	5 years	\$500,000	\$100,000
4. Develop and Maintain the Sustainability Dashboard & GIS	5 years	\$500,000	\$100,000
5. Prepare Annual Environmental Sustainability Progress Report	5 years	\$1,250,000	\$250,000
<b>d. Sustainability Plan (SP) Program Support</b>	<b>10 projects/yr</b>	<b>\$5,000,000</b>	<b>\$100,000</b>
<b>e. Green Construction Policy (GCP) Program Support</b>	<b>10 projects/yr</b>	<b>\$3,750,000</b>	<b>\$75,000</b>
<b>f. Peer Review of Sustainability Program, Projects, Initiatives</b>	<b>6 reports</b>	<b>\$300,000</b>	<b>\$50,000</b>
<b>g. EMS &amp; Training Plans, Studies, Reports</b>	<b>5 reports</b>	<b>\$500,000</b>	<b>\$100,000</b>
<b>h. Innovative Sustainability Initiatives/Solutions</b>	<b>5 years</b>	<b>\$250,000</b>	<b>\$50,000</b>
<b>i. other</b>	<b>5 years</b>	<b>\$500,000</b>	<b>\$100,000</b>

**ROM/Recommended LOP Amount      \$23,800,000**

## DEOD SUMMARY

**SUSTAINABILITY PROGRAM ASSISTANCE SERVICES  
CONTRACT NO. PS66866**

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established an overall 27% Disadvantaged Business Enterprise (DBE) goal and an overall 27% goal inclusive of 24% Small Business Enterprise (SBE) and 3% Disabled Veterans Business Enterprise (DVBE) goal for this Task Order Contract. Cumming Management Group Inc. exceeded the DBE overall goal by making a 27.06% DBE commitment. Cumming Management Group Inc. made a 24% SBE and 3% DVBE commitment, meeting the 27% overall SBE/DVBE goal.

In response to a specific Task Order request with a defined scope of work, estimated dollar value and funding source that is federally and/or state/locally funded, the Cummings Management Group will be required to identify DBE/SBE/DVBE subcontractor activity and actual dollar value commitments for that Task Order. Overall DBE/SBE/DVBE achievement in meeting the commitments will be determined based on cumulative DBE/SBE/DVBE participation of all Task Orders awarded.

<b>Small Business Goal</b>	<b>27% DBE 24% SBE 3% DBVE</b>	<b>Small Business Commitment</b>	<b>27.06% DBE 24% SBE 3% DVBE</b>
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	<b>Subcontractors</b>	<b>Ethnicity</b>	<b>DBE</b>	<b>SBE</b>	<b>DVBE</b>
1.	Akima	Caucasian Female	X	X	
2.	All About Waste	Caucasian Female	X	X	
3.	EcoTeal	Caucasian Female	X	X	
4.	EW Consulting	Caucasian Female	X	X	
5.	GC Green	Hispanic American	X		X
6.	Impact Sciences	Caucasian Female	X	X	
7.	Lentini	Caucasian Female	X	X	
8.	Loop Environmental	Caucasian Female	X	X	
9.	Paragon	Asian Pacific American	X	X	
10.	Polytechnique	Subcontinent Asian American	X	X	
11.	Premier Program Partners	Caucasian Female	X		
12.	Resource Solutions of California	Asian Pacific American	X	X	
13.	Schweitzer	Caucasian Female	X	X	
14.	Watearth	Caucasian Female	X	X	

	<b>TOTAL COMMITMENT</b>		<b>27.06%</b>	<b>24%</b>	<b>3%</b>
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**B. Living Wage and Service Contract Worker Retention Policy Applicability**

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

**C. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.