Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2023-0570, **File Type:** Contract **Agenda Number:** 25.

EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 19, 2023

SUBJECT: METRO LEADERSHIP ACADEMY
ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a five-year, firm fixed price Contract No. PS87481000 to Southern Methodist University to serve as the academic partner for the Metro Leadership Academy Program**,** in the amount of $1,002,750 for the three-year base term, and $366,050 for the first one-year option and $379,550 for the second one-year option, for a total Contract Value of $1,748,350, subject to the resolution of any properly submitted protest(s), if any.

ISSUE

The Metro Leadership Academy Program (MLA) is an internal leadership development program to address two major challenges: succession planning and employee retention. First, 30% of Metro employees are eligible to retire and 62% of Metro employees will be eligible to retire within the next 10 years. Second, Metro has committed to an ambitious work plan as it builds the fastest-growing public transportation system in the country. To prepare and develop the leaders of today and tomorrow, a qualified academic partner is necessary.

Since MLA's inception, Metro has retained an academic partner to teach the leadership cornerstones of the program. The current contract expires December 31, 2023, and a new contract award is recommended to ensure continuity.

BACKGROUND

Metro created MLA in 2015 as a 12-month program. Participants are drawn agency-wide from both Contract and Non-Contract positions, representing all levels of leadership from front-line to senior executive positions. The first 40-person cohort launched in January 2016. Along with academic leadership courses, Metro's Senior Leadership Team teaches department specific competency courses.

MLA provides employees the framework and tools to understand their personal leadership style, and how to adapt to a changing environment within the industry and workplace. Participants graduate from MLA with a renewed appreciation of their potential, a new understanding of high-quality business connections, and a stronger sense of how to maximize their influence. Each cohort

presents a group project and recommendations to address current business challenges to executive management. Since the inception of MLA, Metro has adopted seven projects for implementation.

Metro has accepted 280 employees into MLA and 235 employees have completed and graduated from the program. Each December, MLA hosts a graduation, maintaining a 97 percent completion rate. Due to the pandemic the 2020 cohort was combined with the 2021 MLA year for a total of 38 graduates. While participation in MLA does not guarantee promotion, 42 percent (98 out of 235) of graduates have received a promotion and 22 percent (52 out of 235) of the graduates were promoted twice. Graduates often participate in annual recruitment seminars during the MLA application period, and they share the positive impact MLA has had on their personal and professional growth. Many continue to engage in other development programs including SEED LA seminars and serve as mentors.

DISCUSSION

The MLA academic partner is responsible for the development, implementation, and evaluation of the leadership program. The academic partner serves as a facilitator for a curriculum that teaches participants leadership competencies with the goal of shaping graduates for opportunities in leadership at Metro.

- In addition to MLA, the academic partner will provide Leadership Engagement Training. The Leadership Engagement Training targets those not accepted into MLA by offering an opportunity for participants to complete a 4-hour virtual training. The training will focus on enhancing communication and fundamental leadership competencies to keep employees engaged as future MLA participants.

DETERMINATION OF SAFETY IMPACT

Approval of this item will have no impact on safety standards for Metro customers and employees.

FINANCIAL IMPACT

The funding of $300,000 for this service is included in the FY24 budget in cost center 6220, Talent Development, under project number 100001, General Overhead.

Since this is a multi-year contract the cost center manager and Chief People Officer will be accountable for budgeting the cost in future years, including any option exercised.

Impact to Budget

The source of funds for Project 100001 is General Overhead funds, comprised of federal, state, and local funds. These funds are eligible for bus and rail operating costs.

EQUITY PLATFORM

powered by Legistar™

Metro's Leadership Academy is an inclusive program for employees at all levels. In partnership with the Civil Rights, Race, Equity & Inclusion Department, MLA cohorts are aligned with Metro's long-term goals and a direct representation of Metro's workforce in the following areas: Contract/Non-contract job classification, gender, ethnicity and Union representation.

Since the beginning of MLA's implementation in 2016, this partnership has resulted in each cohort being equally represented by gender, with at least half of the cohort being female. Additionally, Talent Development has increased its outreach efforts agency-wide, resulting in the 2023 cohort being equally represented by both gender and Contract/Non-Contract job classification. This work will continue to evolve so that representation of each cohort remains inclusive of all people.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The staff recommendation supports the following Strategic Plan Goals:

- Strategic Plan Goal 3: Enhance communities and lives through mobility and access to opportunity
- Strategic Plan Goal 4: Transform LA County through regional collaboration and national leadership
- Strategic Plan Goal 5: Provide responsive, accountable, and trustworthy governance within the Metro organization

The MLA supports these goals by developing staff in the competencies needed to build skills for setting a strategic vision, acting as a champion for change, effective decision making, managing resources, building effective teams, and managing diversity. This program engages leaders at all levels and supports succession planning efforts. MLA further supports Metro's promise to deliver on its mission of providing a world-class transportation system that enhances quality of life for everyone in Los Angeles County.

ALTERNATIVES CONSIDERED

Staff has considered using in-house Metro resources to perform this work; however, this approach is not recommended as Metro does not have subject matter experts on staff to perform this work.

The Board of Directors may choose not to authorize the Contract award for this program; however, this alternative is not recommended as this Contract is critical to the professional development of employees within the agency.

NEXT STEPS

Upon Board approval, staff will execute Contract No. PS87481000 with Southern Methodist University for the 2024 Metro Leadership Academy Class that begins in January 2024.

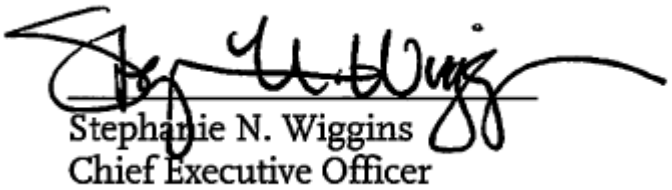
ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

Prepared by: Maria G. Meleandez, Deputy Executive Officer, Talent Development
(213) 922-5259
Dawn Jackson-Perkins, (Interim) Executive Officer, Talent Management

(213) 418-3166
Debra Avila, Deputy Chief Officer, Vendor/Contract Management (213) 418-3051

Reviewed by: Seleta Reynolds, Chief Innovation Officer/(Interim) Chief People Officer (213) 922-4098



Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A

PROCUREMENT SUMMARY

METRO LEADERSHIP ACADEMY / PS87481000

1.	**Contract Number**: PS87481000	
2.	**Recommended Vendor**: Southern Methodist University	
3.	**Type of Procurement (check one):** ☐ **IFB** ☒ **RFP** ☐ **RFP–A&E** ☐ **Non-Competitive** ☐ **Modification** ☐ **Task Order**	
4.	**Procurement Dates**:	
	A. Issued: June 6, 2023	
	B. Advertised/Publicized: June 6, 2023	
	C. Pre-Proposal Conference: June 16, 2023	
	D. Proposals Due: July 11, 2023	
	E. Pre-Qualification Completed: September 14, 2023	
	F. Ethics Declarations Form Submitted to Ethics: July 11, 2023	
	G. Protest Period End Date: October 24, 2023	
5.	**Solicitations Picked up/Downloaded**: 22	**Bids/Proposals Received**: 1
6.	**Contract Administrator**: Manchi Yi	**Telephone Number**: (213) 418-3332
7.	**Project Manager**: Jose A. Ramirez	**Telephone Number**: (213) 418-3403

A. Procurement Background

This Board Action is to approve Contract No. PS87481000 in support of the development and implementation of Metro's Leadership Academy. Board approval of contract award is subject to resolution of all properly submitted protest(s).

Prior to the release of the solicitation, Metro conducted a virtual outreach event to inform the small business community of the upcoming opportunity, promote small business participation, and encourage competition. The outreach event was attended by 27 participants.

On June 6, 2023, Request for Proposal (RFP) No. PS87481 was issued as a competitive procurement in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price. The Diversity & Economic Opportunity Department (DEOD) recommended a Disadvantaged Business Enterprise (DBE) goal of 5% for this procurement.

The solicitation was available for download from Metro's website and advertised to notify potential proposers of this solicitation, including several local University of California and Cal State University campuses, and other colleges and universities. Further, Metro notified potential proposers identified by the Project Office as well as firms from Metro's vendor database based on applicable North American Industry

Classification System (NAICS) codes.

One amendment was issued during the solicitation phase of this RFP:

- Amendment 1, issued on June 29, 2023, revised the scope of services and evaluation criteria to clarify the minimum qualification requirements and updated the submittal requirements to align with the changes to the scope of services and evaluation criteria.

A total of 22 firms downloaded the RFP and were included on the planholders list. A virtual pre-proposal conference was held on June 16, 2023, with two firms in attendance. Only one question was received, and Metro's response was released prior to the proposal due date.

On July 11, 2023, the proposal due date, a single proposal was received from Southern Methodist University (SMU).

Metro notified several colleges and universities, including local University of California and Cal State University campuses, of the release of the RFP. Metro staff canvassed the firms on the planholders' list to determine why there were no other proposals received. Reasons for declining to propose included not having the technical capabilities and choosing to pursue other opportunities outside of Metro. The market survey revealed that the decisions not to propose were based on individual business considerations. Therefore, the solicitation can be awarded as a competitive award.

B. Evaluation of Proposal

A Proposal Evaluation Team (PET) consisting of staff from Metro's Talent Development, Complete Streets & Highway Capital, Transportation Demand Management (TDM) Policy & Regional Shared Mobility departments was convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal was evaluated based on the following evaluation criteria:

Phase 1 - Evaluation of Minimum Qualification Requirements: This is a pass/fail criteria. To be responsive to the RFP minimum qualification requirements, proposer must meet the following at the time of the proposal submittal:

- The prime contractor must be a regionally accredited college, university, or professional school. A regionally accredited college, university, or professional school is a U.S. institution that is accredited by a Council for

Higher Education Accreditation (CHEA) or U.S. Department of Education (DOED).

- Proposed facilitators of the Metro Leadership Program must be skilled and knowledgeable in their specialty with at least 5 years of experience in their specialty with a preference of 10+ years of relevant experience.

Phase II – Weighted Evaluation: Proposers that meet the Phase 1 Minimum Qualification requirements were evaluated based on the following evaluation criteria and weights:

- Qualification and Experience of the Firm/Team 25%
- Qualification of Proposed Key Personnel 15%
- Work Plan Approach 45%
- Cost Proposal 15%

The evaluation criteria are appropriate and consistent with criteria developed for other similar procurements. Several factors were considered in developing these weights, giving the greatest importance to the work plan approach.

The PET members independently evaluated and scored the technical proposal and determined that SMU met the requirements of the RFP and is technically qualified to perform the work.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	**Southern Methodist University**				
3	Qualification and Experience of the Firm/Team	93.32	25%	23.33	
4	Qualification of Proposed Key Personnel	66.67	15%	10.00	
5	Work Plan Approach	80.84	45%	36.38	
6	Cost Proposal	100.00	15%	15.00	
7	**Total**		**100%**	**84.71**	**1**

C. Price Analysis

The recommended price has been determined to be fair and reasonable based upon technical analysis, price analysis using historical data, fact finding, and negotiations.

Proposer Name	Proposal Amount	Metro ICE	Recommended Amount
Southern Methodist University	$1,806,350	$1,506,030	$1,748,350

The variance between the ICE and the recommended amount is because the ICE did not factor in the cost for additional leadership academy engagement training sessions and yearly escalation.

Staff successfully negotiated $58,000 in cost savings from SMU's proposal.

D. Background on Recommended Contractor

The recommended firm, Southern Methodist University (SMU), located in Dallas, Texas, was founded in 1911. SMU has provided leadership development programs to the private and public sectors in the transportation, auto and healthcare industries. Existing clients include Toyota Manufacturing North America, Chevron USA Inc., Baylor Scott & White, and Dallas Area Rapid Transit.

Since 2017, SMU has developed and implemented Metro's Leadership Academy and performance has been satisfactory.

DEOD SUMMARY

METRO LEADERSHIP ACADEMY / PS87481000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 5% Disadvantaged Business Enterprise (DBE) goal for this solicitation. Southern Methodist University exceeded the goal by making a 5.08% DBE commitment.

Small Business Goal	5% DBE	Small Business Commitment	5.08% DBE

	DBE Subcontractor	Ethnicity	% Committed
1.	In A Moment's Notice	African American	5.08%
		Total DBE Commitment	**5.08%**

B. Local Small Business Enterprise (LSBE) Preference

The LSBE preference is not applicable to federally funded procurements. Federal law (49 CFR § 661.21) prohibits the use of local procurement preferences on FTA-funded projects.

C. Living Wage and Service Contract Worker Retention Policy Applicability

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

D. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

E. 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.