



Board Report

File #: 2026-0041, File Type: Contract

Agenda Number: 11.

CONSTRUCTION COMMITTEE APRIL 15, 2026

SUBJECT: JOB ORDER CONTRACTING SERVICES

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute Modification No. 2 for the Job Order Contracting Professional Services Contract OP261685000 with The Gordian Group, Inc., in the Not-To-Exceed (NTE) contract amount of \$5,000,000, increasing the total NTE contract amount from \$499,999 to \$5,499,999.

ISSUE

The Job Order Contracting (JOC) professional services contract provides support for various transit infrastructure improvement initiatives across the Metro transit system. A job order in a JOC program is an individual project assignment issued under a master contract. It defines a specific scope of work, location, and completion schedule, priced using a pre-established unit price book. It is used for quick, on-call repairs, maintenance, or renovation projects. This modification is needed to support JOC projects that require Gordian Group, Inc.'s (Gordian) professional services, including contractor training on Unit Price Books, related software for Job Order pricing development, Job Order project management, and Job Order construction management, as needed. Notice to Proceed (NTP) has been issued for one job order, and another thirteen job orders are progressing towards NTP by the end of April, under the current JOC professional services contract amount (\$499,999).

BACKGROUND

Gordian serves as Metro's professional services provider in support of the JOC program, under Contract OP261685000, initially awarded in February 2025. These services are critical to the effective administration and successful execution of the JOC contract. Gordian developed and provided the Unit Price Book (UPB), which enables pre-qualified bench contractors to competitively bid work through the job order process. The UPB is a comprehensive catalog of construction and rehabilitation tasks anticipated during the program's period of performance. Independent development of a comparable price book could cost several million dollars, require significant resources, and could take up to one year to complete, and was a prerequisite for advertising the bench JOC construction contract. Gordian provided the UPB and supported Metro through the solicitation and award of the bench construction contract with no upfront costs to Metro.

DISCUSSION

The Job Order Contracting (JOC) Construction Services Bench Contracts provide a flexible and efficient delivery method to support a wide range of transit infrastructure improvements across the Metro system. The JOC program relies on the availability of a comprehensive UPB, supporting software, and ongoing professional services to ensure consistent pricing, competitive procurement, and effective project delivery.

Gordian serves as Metro's professional services provider for the JOC program and is responsible for maintaining the UPB, providing contractor training, administering the job order pricing software, and supporting job order development and construction management. These services are essential to the successful execution of JOC projects and the timely delivery of rehabilitation and improvement work.

Modification No. 2 increases the NTE amount of the contract to accommodate anticipated JOC construction activities that require Gordian's professional services support. Under the existing contract structure, Gordian is compensated only when a job order is issued to a bench contractor. Professional services fees consist of 5% for use of the Gordian-supplied UPB and pricing software, contractor training, and supporting job order development and an additional 5.95% for construction management services, if approved by the Metro project manager. Each Job Order would then be subject to either a 5% fee or a 10.95% fee total, depending on the services provided by Gordian.

The increased contract amount will allow more JOC projects to be accomplished. The current contract amount of \$499,999 only supports approximately 9 job orders valued at \$5 million. It is projected that up to \$50 million per year in job orders will be awarded through the JOC program, resulting in an estimated \$5 million per year in associated professional services costs, which will support additional job orders. This would support approximately 90 job orders per year. The proposed increase in contract authority ensures sufficient capacity to support planned JOC work without impacting project schedules.

Approval of this modification will allow Metro to continue leveraging the efficiencies of the JOC delivery method, maintain consistent pricing and quality controls, and support critical systemwide infrastructure improvements in a timely and cost-effective manner.

DETERMINATION OF SAFETY IMPACT

The approval of this item will ensure continuity of JOC professional services contract, in support of JOC construction activities for maintenance of transit infrastructure assets in a State of Good Repair (SGR), as recommended by Metro's Transit Asset Management (TAM) Plan, which is essential to providing safe, reliable, and well-maintained facilities for both Metro riders and employees who utilize Metro transit infrastructure daily.

FINANCIAL IMPACT

This Board action increases the NTE contract amount to \$5,499,999. As job orders become necessary, funding will be provided from the appropriate project requiring support. For Fiscal Year

2026 (FY26), \$10,745,000 is included in the Infrastructure Program budget under capital project numbers 210131 USG Building Renovation Plan, 290010 USG Electrical & Security System, 204805 Elevator and Escalator Modernization, 212133 Divisions 1, 2, 18 CCTV Parking Lots, 205121 C Line OCS Replacement, 205694 Harbor Hump Direct Fixation, 212134 B&D Lines Auxilliary Rooms CCTV Alarm, 202338 Bus Division Improvements IV, 202814 Bus Division Improvements V, 204142 Rail Facility Improvements I, and 204817 Rail Facility Maintenance & Improvements II.

Since this is a multi-year contract, the Project Manager will ensure that the balance of funds is budgeted in future Fiscal Years.

Impact to Budget

The current sources of funds for this action are State and Local sources. This funding is eligible for bus and rail operations.

EQUITY PLATFORM

Metro is committed to maintaining transit assets and ensuring reliable and equitable transportation service for Metro riders. The equity benefits of this action improve passenger and operational reliability of Metro transit services by ensuring that transit infrastructure assets are maintained in a state of good repair, including assets that provide transit services for disadvantaged communities. This allows Metro to deliver safe, affordable, dependable transit services connecting riders to jobs, housing, education, food services, family, and health care. Public transportation provides an important lifeline for the residents in underserved communities, and the award of this contract ensures that Metro will deliver State of Good Repair projects in more timely manner and contribute to better service delivery.

The Diversity & Economic Opportunity Department (DEOD) did not recommend a Small Business Enterprise (SBE) or Disabled Veteran Business Enterprise (DVBE) participation goal for this JOC Construction Services Bench procurement. However, under California's statutory guidelines for the JOC program, individual job orders valued at \$250,000 or less for repair or renovation work may be set aside, on a rotational basis, for award to certified SBE or DVBE contractors on the JOC Bench. Twelve of the eighteen prime contractors on the bench are SBE certified.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit. * Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. This item supports Metro's systemwide strategy to reduce VMT through capital improvement investments to bus and rail transit infrastructure assets. Metro's Board-adopted VMT reduction targets were

designed to build on the success of existing investments, and this item aligns with those objectives.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of this recommendation supports the following Metro Strategic Plan Goals:

- Goal # 2 Deliver outstanding trip experiences for all users of the transportation system.
- Goal # 3 Enhance communities and lives through mobility and access to opportunity.

This project helps maintain system service, reliability, and safety standards to provide a world-class transportation system that enhances the quality of life for all who live, work, and play within Los Angeles County.

ALTERNATIVES CONSIDERED

Staff considered not increasing the Contract NTE amount. However, with a projected \$50 million per year in contractor labor, Gordian's professional services and construction management would be limited to a few projects, and additional projects would require individual procurements, delaying the backlog of critical infrastructure and facility projects.

NEXT STEPS

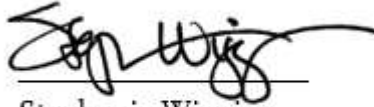
Upon approval by the Board, staff will execute Modification No. 2 to Contract OP261685000.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary

Prepared by: Daniela Amores, Senior Director Project Control, (213) 617-6283
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Debra Avila, Deputy Chief Vendor/Contract Management Officer, (213) 418-3051

Reviewed by: Conan Cheung, Chief Operations Officer, (213) 418-3034

A handwritten signature in black ink, appearing to read 'Step Wiggins', written over a horizontal line.

Stephanie Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

JOB ORDER CONTRACTING PROFESSIONAL SERVICES/OP261685000

1.	Contract Number: OP261685000		
2.	Contractor: The Gordian Group, Inc.		
3.	Mod. Work Description: Increase the Not-to-Exceed (NTE) amount for professional services provided by The Gordian Group, Inc.		
4.	Contract Work Description: The Gordian Group, Inc. serves as Metro's professional services provider in the development and administration of the Job Order Contracting (JOC) Program and supports Metro's Vendor Contract Management Department in the preparation, review, and issuance of Job Orders.		
5.	The following data is current as of: March 16, 2026		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	2/28/2025	Contract Award Amount: \$499,999
	Notice to Proceed (NTP):	3/13/2025	Total of Modifications Approved: \$0
	Original Complete Date:	2/28/2029	Pending Modifications (including this action): \$5,000,000
	Current Est. Complete Date:	2/28/2029	Current Contract Value (with this action): \$5,499,999
7.	Contract Administrator: Antranik Banalian		Telephone Number: (213) 922-5223
8.	Project Manager: Rudy Loera		Telephone Number: (213) 617-6225

A. Procurement Background

This Board Action is to approve Contract Modification No. 2 issued in support of Contract No. OP261685000 with The Gordian Group, Inc., (Gordian) for continued development, implementation, and ongoing program support of Metro's customized Job Order Contracting (JOC) program. This Modification will increase the total Not-To-Exceed (NTE) amount of the contract to ensure sufficient funding capacity to support the expanded operational needs of Metro's utilization of the JOC program under Contract No. PS133177001 through PS133177025, Job Order Contracting (JOC) Construction Services.

Since the contract award, the JOC program has become a critical vehicle to address facility repairs, capital improvements, and urgent operational needs across multiple divisions. As a result, additional program management, training, and technical services from Gordian are necessary to maintain program efficiency, pricing integrity, and schedule acceleration.

The requested increase in the NTE amount does not modify the overall scope of services but provides additional contract capacity to support the higher volume of Job Orders and expanded agency-wide utilization of the JOC program. The fee structure remains consistent with the original award, including the JOC System License fee and Job Order Development fee as outlined in the approved acquisition summary.

Approval of this Modification will allow Metro to continue leveraging Gordian's proprietary JOC system, standardized pricing catalog, and technical expertise to streamline project delivery while maintaining cost controls and compliance with Metro procurement guidelines. The increase ensures uninterrupted program support and aligns with Metro's ongoing infrastructure improvement initiatives and operational reliability goals.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price.

Metro utilized a cooperative purchasing agreement established by Sourcewell, a service cooperative created by the State of Minnesota that allows other government agencies the ability to participate in its agreements.

B. Cost Analysis

The recommended fee schedule has been determined to be fair and reasonable based upon market research, and confirmation from a similar transportation agency, such as Metro, that confirmed the same fee structure for similar services from Gordian. Fees for required services are: 1.95% JOC System License fee of the value of the work ordered, and 3.05% Job Order Development fee of the value of work ordered for a total of 5.00% per job order. Gordian also offers optional Construction Management Services for an additional 5.95% per job order at the request of Metro's Project Manager.

Proposal Amount	Metro ICE	Not-to-Exceed Amount
\$5,000,000	\$5,574,900	\$5,000,000

**CONTRACT MODIFICATION/CHANGE ORDER LOG
JOB ORDER CONTRACTING PROFESSIONAL SERVICES/OP261685000**

Mod. no.	Description	Status	Date	\$ Amount
1	Revision of funding source and DEOD participation goal.	Approved	04/01/2025	\$0
2	Increasing annual Not-To-Exceed amount.	Pending	4/23/2026	\$5,000,000
	Modification Total:			\$5,000,000
	Original Contract:		2/28/2025	\$499,999
	Total:			\$5,499,999

DEOD SUMMARY

JOB ORDER CONTRACTING SERVICES / OP261685000

A. Small Business Participation

The Diversity & Economic Opportunity Department did not establish a Small Business Enterprise (SBE) goal for this contract. Metro utilized a cooperative purchasing agreement established by Sourcewell, a service cooperative created by the State of Minnesota, that allows other government agencies to participate in its agreements. It is expected that Gordian Group Inc. will continue to perform the services of this contract with its own workforce.

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this modification.

D. Project Labor Agreement/Construction Careers Policy

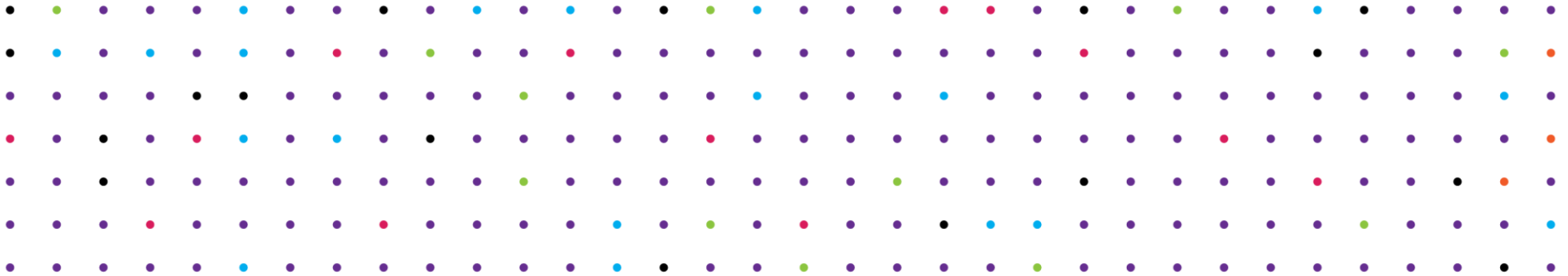
Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.

E. Manufacturing Careers Policy

The Manufacturing Careers Policy (MCP) does not apply to this contract. The MCP is required on Metro's Rolling Stock RFPs, with an Independent Cost Estimate of at least \$50 million.

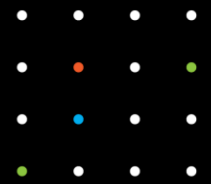
MAINTENANCE & ENGINEERING

JOB ORDER CONTRACTING SERVICES



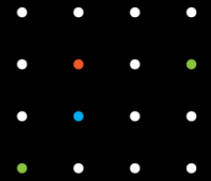
Construction Committee Meeting
April 15, 2026

RECOMMENDATION



AUTHORIZE the Chief Executive Officer to execute Modification No. 2 for the Job Order Contracting Professional Services Contract OP261685000 with The Gordian Group, Inc., in the Not-To-Exceed (NTE) contract amount of \$5,000,000, increasing the total NTE contract amount from \$499,999 to \$5,499,999.

ISSUE & DISCUSSION

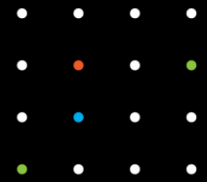


AWARDEE

The Gordian Group, Inc.

NUMBER OF BIDS/PROPOSALS

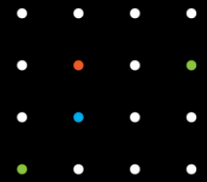
Proposer Name	Bid Amount	Metro ICE	Negotiated Amount
The Gordian Group, Inc.	\$5,000,000	\$5,574,900	\$5,000,000



DEOD COMMITMENT

The Diversity & Economic Opportunity Department (DEOD) did not recommend a Small Business Enterprise (SBE) or Disabled Veteran Business Enterprise (DVBE) participation goal for this JOC Construction Services Bench procurement. However, under California's statutory guidelines for the JOC program, individual job orders valued at \$250,000 or less for repair or renovation work may be set aside, on a rotational basis, for award to certified SBE or DVBE contractors on the JOC Bench. Twelve of the eighteen prime contractors on the bench are SBE certified.

ISSUE & DISCUSSION



ISSUE

The Job Order Contracting (JOC) professional services contract is intended to provide support for various transit infrastructure improvement initiatives across the Metro transit system. This modification is needed to support JOC projects requiring professional services that include contractor training of Unit Price Books, related software needed for Job Order pricing development, Job Order project management, and Job Order construction management as needed.

DISCUSSION

Modification No. 2 increases the NTE amount of the contract to accommodate anticipated JOC construction activities. It is projected that up to \$50 million per year in Job Order Contracts will be awarded through the JOC program, resulting in an estimated \$5 million per year in associated professional services costs.