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

Metro

Board Report

File #: 2026-0718, **File Type:** Contract **Agenda Number:** 24.

EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 15, 2026

SUBJECT: REGIONAL RAIL STRATEGIC FINANCIAL ADVISORY ON-CALL SERVICES BENCH

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to execute Modification No. 3 to the Regional Rail Strategic Financial Advisory On-Call Services Bench Contract Nos. PS66571-2000 through PS66571 -2005 to exercise the second, one-year option term in the amount of $2 million, increasing the total Not-To-Exceed (NTE) cumulative contract amount from $7.4 million to $9.4 million and extending the period of performance from December 7, 2026, to December 6, 2027.

ISSUE

The Regional Rail Strategic Financial Advisory On-Call Services (SFAOCS) Bench period of performance expires December 6, 2026, and its remaining capacity is insufficient to meet anticipated needs. Board authority to exercise the second option term is required to continue issuing task orders for financial and strategic advisory services that support regional rail capital projects, competitive grant pursuits, and executive leadership decision-making. Although Countywide Planning & Development (CP&D) manages the bench, multiple departments rely on it for high-priority and mission-critical work.

BACKGROUND

At its October 2020 meeting, the Board approved the award of the SFAOCS Bench contracts for a five-year base term in the funding amount of $6 million, and two, one-year options in the funding amount of $1 million for each option year, for an NTE cumulative total funding amount of $8 million. The Board authorized the CEO to award and execute task orders within the total approved NTE funding limit of $6 million. In May 2025, Modification No. 1 was approved for $400,000, increasing the overall NTE funding limit to $6.4 million. At its July 2025 meeting, the Board approved Modification No. 2 to exercise the first, one-year option term in the amount of $1 million, increasing the NTE funding limit to $7.4 million and extending the period of performance to December 6, 2026.

The SFAOCS Bench supports the funding and delivery of capital projects under the Metro Regional Rail Program. Contracts were awarded under two disciplines:

1. Financial Advisory Support Services

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2. Strategic Advisory/Advocacy Services

The Bench provides financial and strategic support for projects not funded under Measure M, such as Link Union Station Phase B and various grade separation and double-track projects. Task orders are funded through existing project budgets previously approved by the Board. The on-call structure allows Metro to secure these services quickly, helping close funding gaps and accelerate project delivery in collaboration with passenger and freight rail stakeholders.

DISCUSSION

Metro has used the SFAOCS Bench for a range of financial and strategic advisory work supporting planning, operations, and executive leadership including:

- High Desert Intercity Rail Corridor Service Development Plan;
- Cost comparison of in-house and contracted services;
- Strategic roadmap to stakeholder engagement;
- Support for Station Activation Models
- Climate and Sustainability efforts
- Strategic advisory services and thought leadership for the CEO; and
- Strategic financial advisory support for Strategic Financial Planning.

The remaining capacity is insufficient to support anticipated financial and strategic advisory needs in the coming fiscal year.
Staff anticipates a need for grant evaluation support as Metro pursues competitive funding opportunities to close capital project funding gaps (Attachment E). SFAOCS consultants also provide financial and strategic advice to inform decision-making on complex funding and delivery strategies, supporting executive leadership in aligning regional rail investments with long-term strategic objectives and navigating a shifting funding landscape. The contracts further support legislative coordination, policy analysis, and interagency engagement in partnership with Metro's Government Relations team, ensuring a consistent and informed approach to external advocacy.
Exercising the option term secures continued access to these specialized advisory services, prevents disruption to active and planned work, and preserves Metro's ability to respond quickly to new funding opportunities and Board directives.

DETERMINATION OF SAFETY IMPACT

Approval of the staff recommendation will not impact the safety of Metro customers or employees.

FINANCIAL IMPACT

Approval of the staff recommendation will have no impact on the FY27 budget. Task orders are funded through existing project budgets previously approved by the Board, and each new task order will have an approved funding source before it is initiated. The Chief Planning Officer will be responsible for budgeting costs in FY27 and FY28.

Impact to Budget
Funding for each task order will vary based on its specific scope of work and the project it supports.

Because the Bench serves projects outside the Measure M Expenditure Plan, funding is drawn from individual project budgets the Board has already approved.

EQUITY PLATFORM

The proposed contract modification will support the continued availability of strategic and financial advisory services to assist in evaluating financial strategies and funding approaches that advance the planning and delivery of transportation investments throughout the region. These services will help inform financial planning and decision-making that supports the effective and sustainable implementation of regional transportation priorities. By supporting the development and delivery of transportation investments, the proposed action contributes to Metro's broader goals of improving mobility, enhancing access to transportation options, and addressing the diverse transportation needs of communities it serves.

For this Regional Rail Strategic Financial Advisory On-call Services bench, the Diversity & Economic Opportunity Department (DEOD) established an overall 17% Small Business Enterprise (SBE) and an overall 3% Disabled Veteran Business Enterprise (DVBE) goal. Each bench participant made individual overall SBE and DVBE commitments on this contract. The bench includes five (5) prime consultants; one (1) SBE certified. Progress towards meeting the overall commitments is measured based on the cumulative participation achieved through all task orders awarded to each prime. To date eight (8) task orders have been awarded to four (4) different prime contractors.

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 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 carbon neutrality by 2045. All Board items are assessed for their potential impact on VMT.
This item is expected to contribute to further VMT reductions. Continued access to financial and strategic advisory services will help secure funding for and advance regional rail capital projects, expanding transit options and encouraging ridership across Los Angeles County.

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

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The staff recommendation is consistent with the following Strategic Plan goals:

- Goal 1.1: Expand the transportation network and increase mobility for all users;
- Goal 4.1: Work with partners to build trust and make decisions that support the goals of the Strategic Plan;
- Goal 5.1: Leverage funding and staff resources to accelerate the achievement of goals and initiatives prioritized in the Strategic Plan; and
- Goal 5.2: Exercise good public policy judgment and sound fiscal stewardship.

ALTERNATIVES CONSIDERED

The Board could choose not to approve the recommendation. Staff does not recommend this alternative. The SFAOCS Bench expires December 6, 2026. Without the option term, Metro would lose the ability to issue on-call task orders for mission-critical financial and strategic advisory work, and each need would require a separate procurement that could take many months to complete.

NEXT STEPS

Upon Board approval, staff will execute Modification No. 3 to the SFAOCS Bench Contract Nos. PS66571-2000 through PS66571-2005.

ATTACHMENTS

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

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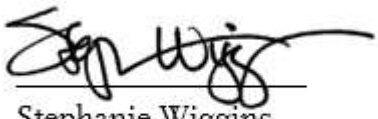

Stephanie Wiggins
Chief Executive Officer

ATTACHMENT A

PROCUREMENT SUMMARY

REGIONAL RAIL STRATEGIC FINANCIAL ADVISORY ON-CALL SERVICES / PS66571-2000 - PS66571-2005

1.	**Contract Number**: PS66571-2000 - PS66571-2005			
2.	**Contractors**: Deloitte Transactions and Business Analytics LLP, Ernst & Young Infrastructure Advisors, LLC, InfraStrategies LLC, Sperry Capital, Inc., and WSP USA, Inc.			
3.	**Mod. Work Description** : Exercise second, one-year option.			
4.	**Contract Work Description** Provide financial advisory and strategic advisory/advocacy on-call services.			
5.	**The following data is current as of**: 9/30/26			
6.	**Contract Completion Status**		**Financial Status**	
	Contract Awarded:	10/22/20	**Contract Award Amount:**	Not-to-Exceed (NTE) $6,000,000
	Notice to Proceed (NTP):	N/A	**Total of Modifications Approved:**	$1,400,000
	Original Complete Date:	12/6/25	**Pending Modifications (including this action):**	$2,000,000
	Current Est. Complete Date:	12/6/27	**Current Contract Value (with this action):**	NTE $9,400,000
7.	**Contract Administrator**: Samira Baghdikian		**Telephone Number**: (213) 922-1033	
8.	**Project Manager**: Nicole Englund		**Telephone Numbers**: (213) 922-7950	

A. Procurement Background

This Board Action is to execute Modification No. 3 to the Regional Rail Strategic Financial Advisory On-Call Services Contracts No. PS66571-2000 through PS66571-2005 to exercise the second, one-year option extending the period of performance from December 7, 2026 through December 6, 2027. This Contract Modification will increase the NTE cumulative contract amount by $2,000,000 from $7,400,000 to $9,400,000.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is task order firm fixed unit rate.

On October 22, 2020, the Board approved award of task order-based on-call Contract Nos. PS66571-2000 through PS66571-2005 for Regional Rail Strategic Financial Advisory On-Call Services in the cumulative NTE amount of $6,000,000.

Two modifications have been issued to date.

Refer to Attachment B – Contract Modification/Change Order Log.

B. Cost Analysis

Work will be performed through the issuance of separate task orders. Firm fixed hourly rates were negotiated and established when the contracts were awarded. Proposals submitted for each task order will be subject to cost analysis, technical analysis, fact finding, and negotiations to determine the fairness and reasonableness of price.

ATTACHMENT B

CONTRACT MODIFICATION/CHANGE ORDER LOG

REGIONAL RAIL STRATEGIC FINANCIAL ADVISORY ON-CALL SERVICES / PS66571-2000 - PS66571-2005

Mod. No.	Description	Status (approved or pending)	Date	Amount
1	Increase cumulative not-to-exceed contract amount.	Approved	5/19/25	$400,000
2	Exercise first, one-year option extending the period of performance (POP) through 12/6/26.	Approved	7/24/25	$1,000,000
3	Exercise second, one-year option extending the POP through 12/6/27.	**Pending**	**Pending**	**$2,000,000**
	Modification Total:			**$3,400,000**
	Original Contract:		**10/22/20**	**$6,000,000**
	Total:			**$9,400,000**

DEOD SUMMARY

REGIONAL RAIL STRATEGIC FINANCIAL ADVISORY ON-CALL SERVICES BENCH/ PS66571-2000 THROUGH PS66571-2005

A. Small Business Participation

For this Regional Rail Strategic Financial Advisory On-call Services bench, the Diversity & Economic Opportunity Department (DEOD) established an overall 17% Small Business Enterprise (SBE) and an overall 3% Disabled Veteran Business Enterprise (DVBE) goal. Each bench participant made individual overall SBE and DVBE commitments on this contract. The bench includes five (5) prime consultants; one (1) SBE certified. Progress towards meeting the overall commitments is measured based on the cumulative participation achieved through all task orders awarded to each prime. To date eight (8) task orders have been awarded to four (4) different prime contractors.

1. Deloitte Transactions and Business Analytics (Deloitte):

Deloitte has been awarded three (3) task orders to date, and the current overall participation is 0% SBE and 0% DVBE, representing shortfalls of both the SBE and DVBE commitment of 17% and 0%, respectively. Deloitte contends that it has not included SBE or DVBE participation to date due to the specific nature in the scope of work of the three (3) task orders, to which Metro's project manager concurs. Deloitte further stated that it intends to include the SBE and/or DVBE partners for future opportunities and will continue working with Metro to address the remaining commitment.

Overall Small Business Commitment	**17% SBE 6% DVBE**	**Overall Small Business Participation**	**0.00% SBE 0.00% DVBE**

	SBE Contractor(s)	% Utilization Commitment	% Participation
1.	SHA Analytics	10.00%	0.00%
2.	Morgner Construction Mgmt.	7.00%	0.00%
	Total	**17.00%**	**0.00%**

	DVBE Contractor(s)	% Utilization Commitment	% Participation
1.	Virtek	3.00%	0.00%
2.	OCMI, Inc	3.00%	0.00%
	Total	**6.00%**	**0.00%**

2. Ernst & Young LLP (EY):

EY has been awarded one (1) task order to date, and the current overall participation is 9.65% SBE and 2.17% DVBE, representing shortfalls of both the SBE and DVBE commitments by 7.49% and 0.87%, respectively. EY listed three (3) SBE and DVBE subcontractors to perform on their task order. EY contends that the shortfall is due to tasks assigned to its SBE subcontractor (BAE) that Metro had determined not to be required, which was concurred by Metro's project manager. EY indicated that its DVBE (Alexander King) was unable to perform its assigned work due to a lack of sufficient resources. EY reported that their ability to assign new scope to the SBE and/or DVBEs to increase the utilization percentage is dependent on Metro's resuming work on the project as work on the task order has been paused for the past 2 years due to the Federal Rail Administration delays.

Overall Small Business Commitment	**17.14% SBE 3.04% DVBE**	**Overall Small Business Participation**	**9.65% SBE 2.17% DVBE**

	SBE Contractor(s)	% Utilization Commitment	% Participation
1.	BAE Urban Economics	13.77%	6.73%
2.	SHA Analytics, LLC	3.37%	2.92%
	Total	**17.14%**	**9.65%**

	DVBE Contractor(s)	% Utilization Commitment	% Participation
1.	Alexander King Advisors, LLC	3.04%	2.17%
	Total	**3.04%**	**2.17%**

3. InfraStrategies, LLC:

InfraStrategies has been awarded one (1) task order to date, and the current overall participation is 0% SBE and 3.82% DVBE, representing a 18.57% shortfall of the SBE commitment and exceeding the DVBE commitment by 0.48%. InfraStrategies listed one (1) DVBE subcontractor to perform on their task order. InfraStrategies contends, and Metro's Project Team concurs, that the single task order they were awarded was specific and required knowledge, a background in operations facilities, maintenance contracts, and knowledge of the collective bargaining agreements that their SBE subcontractor did not have. InfraStrategies also contends that it is committed to engaging its SBE subcontractor as future work becomes available for the services the firm provides.

Overall Small Business Commitment	**18.57% SBE 3.34% DVBE**	**Overall Small Business Participation**	**0.00% SBE 3.82% DVBE**

	SBE Contractor(s)	% Commitment	% Participation
1.	SHA Analytics, LLC	18.57%	0.00%
	Total	**18.57%**	**0.00%**

	DVBE Contractor(s)	% Commitment	% Participation
1.	Wahrenbrock Capital	3.34%	3.82%
	Total	**3.34%**	**3.82%**

4. Sperry Capital, Inc. (Sperry):

Sperry an SBE-certified firm, has not been awarded any task orders to date. Sperry made an overall 32.69% SBE and 3.29% DVBE commitment.

Overall Small Business Commitment	**32.69% SBE 3.29% DVBE**	**Overall Small Business Participation**	**0.00% SBE 0.00% DVBE**

	SBE Contractor(s)	% Commitment	% Participation
1.	Sperry Capital, Inc. (SBE Prime)	31.73%	0.00%
2.	NWC Partners, Inc.	0.96%	0.00%
	Total	**32.69%**	**0.00%**

	DVBE Contractor(s)	% Commitment	% Participation
1.	Ross Infrastructure Development	3.29%	0.00%
	Total	**3.29%**	**0.00%**

5. WSP USA, Inc. (WSP):

WSP has been awarded three (3) task orders to date, and the current overall participation is 22.38% SBE and 2.59% DVBE, exceeding the SBE commitment by 5.38% and representing a 0.62% shortfall of the DVBE commitment. WSP listed five (5) SBE and DVBE subcontractors to perform on their task orders. WSP contends, and Metro's Project Team concurs, that the DVBE shortfall is mainly due to the reduction of scheduled work at the direction of Metro. WSP reported that they have managed small business participation across all three (3) task orders and planned TO3 to deliver SBE and DVBE participation above the contract goal. WSP anticipates meeting or exceeding the SBE and DVBE commitments when TO3 is completed by Q4 2026.

Overall Small Business Commitment	17.00% SBE 3.21% DVBE	Overall Small Business Participation	22.38% SBE 2.59% DVBE

	SBE Contractor(s)	% Commitment	% Participation
1.	Katherine Padilla & Associates	5.50%	0.00%
2.	Lee Andrews Group, Inc.	4.20%	16.21%
3.	Sumire Gant Consulting	1.97%	0.00%
4.	Estolano Advisors	2.15%	0.00%
5.	Capitol GCS	3.18%	0.00%
6.	Akima Consulting, LLC	Added	1.00%
7.	Trifiletti Consulting, Inc.	Added	5.17%
	Total	**17.00%**	**22.38%**

	DVBE Contractor(s)	% Commitment	% Participation
1.	Leland Saylor (Terminated)	0.86%	0.00
2.	OhanaVets, Inc.	2.35%	2.19%
3.	ZMAssociates Environmental Corp.	Added	0.40%
	Total	**3.21%**	**2.59%**

Staff will continue to work with each prime consultant team to ensure they meet or exceed the SBE/DVBE commitments by the completion of the program.

B. Living Wage 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 (PLA/CCP)

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.

Regional Rail Strategic Financial Advisory On-Call Services Bench

Modification No. 3: Exercise the Second Option Year

Executive Management Committee | October 15, 2026 | 2026-0718

Contract Modification

Exercise the 2nd option year

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Extend through Dec 6, 2027

Keeps on-call advisors available.

No FY27 budget impact

Task orders are funded by existing project budgets already approved by the Board.

ACTION REQUESTED

Authorize the CEO to execute Modification No. 3

The bench expires Dec. 6 with too little capacity for next year

Oct 2020	May 2025	Jul 2025	Dec 6, 2026	Dec 6, 2027
Board awards the bench	Modification No. 1	First option year exercised	Current period of performance ends	Proposed end with second option

Capacity is running out

Remaining contract capacity doesn’t cover the financial and strategic advisory needs expected over the next year.

Procurement would take months

Without the option, each need would require its own procurement, disrupting active and planned work.

On-call advisors support funding, delivery and leadership decisions

DISCIPLINE 1 Financial Advisory Support

- High Desert Intercity Rail service development plan
- Cost comparison of in-house vs. contracted services
- Station activation models
- Strategic roadmap for stakeholder engagement
- Climate and sustainability efforts
- Strategic advice to the CEO and financial planning

DISCIPLINE 2 Strategic Advisory / Advocacy

Five prime consultants; eight task orders awarded to four of them

PRIME CONSULTANTS

- Deloitte Transactions and Business Analytics LLP
- Ernst & Young Infrastructure Advisors, LLC
- InfraStrategies LLC
- Sperry Capital, Inc. — SBE-certified
- WSP USA, Inc.

17%
Overall SBE goal

3%
Overall DVBE goal

8
Task orders awarded

4
Primes with task orders

Recommendation: Approve Modification No. 3

1 Approve

Board authorizes the CEO to exercise the second one-year option.

2 Execute

Staff executes 2nd option across all six bench contracts.

3 Continue

On-call task orders continue without interruption through Dec 6, 2027.