



CONSTRUCTION COMMITTEE
FEBRUARY 17, 2005

PROJECT: ALL TRANSIT CORRIDOR AND CAPITAL PROJECTS

CONTRACT: EN070, ENVIRONMENTAL COMPLIANCE SERVICES
ULTRASYSTEMS ENVIRONMENTAL, INC.

ACTION: AUTHORIZE INCREASE IN CONTRACT FUNDING IN AN
AMOUNT NOT-TO-EXCEED \$450,000

RECOMMENDATION

- A. Approve an increase in authorized funds to Contract No. EN070, Environmental Compliance Services with Ultrasystems Environmental, Inc., to provide environmental compliance services through March 2006, in an amount not-to-exceed \$450,000, increasing the total authorized funds from \$2,551,000 to \$3,001,000; and
- B. Authorize the Chief Executive Officer (CEO) to negotiate and execute task orders and change orders to Contract No. EN070 within the total authorized funds in Recommendation A.

Within Construction Committee authority: Yes No N/A

RATIONALE

In March 2001, the Board awarded a five-year contract, inclusive of three one-year options to Ultrasystems Environmental, Inc., under Contract No. EN070 for environmental compliance services. At that time, the Board funded the Contract Value of \$1,400,000 based on the first two years of the five-year period of performance. Previous Board actions authorized increases to the total authorized funds from \$1,400,000 to \$2,551,000. Staff is now requesting funding in the amount of \$450,000 based on Environmental Compliance & Services Department's (ECSD) estimated projection of required services for the final option year of the contract which would run through March 2006 (Attachment B).

Contract No. EN070 provides the LACMTA with environmental analysis and clearance of projects with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA), as well as other environmental, historic and transportation laws and regulations. These types of services are required to support projects programwide, as well as to assist the LACMTA in complying with the numerous federal, state, and local environmental regulations imposed upon the agency. The LACMTA must

comply with these regulatory agencies or face litigation for violations and possible reductions to State and Federal grants.

As the need for specific environmental compliance services arise, ECSD will issue Task Orders, funded from their associated project budget, considering the information available and applicable time constraints on the performance of the work. Most of the work will be negotiated on a not-to-exceed basis and performed and paid on a Time-and-Materials basis in order to be practically expedient. ECSD staff will closely monitor the contractor's budget and schedule using existing project management controls.

IMPACTS TO OTHER CONTRACTS

If Contract No. EN070's contract value is not increased, support to other LACMTA contracts will be limited. There are no alternative contracts currently in place for environmental compliance services. Failure to provide environmental compliance services for the individual projects, including the Orange Line and the Eastside LRT could jeopardize Federal and State funding. Failure to address environmental compliance issues could open the LACMTA to challenges by outside groups. Challenges could lead to contract delays in the Orange Line Project, as well as the Eastside LRT project; both currently under construction. Any delay in an LACMTA response may increase LACMTA's liability for Contractor claims resulting from delays in completion of milestones.

FINANCIAL IMPACT

Contract No. EN070 is a Task Order contract and no funds are obligated until a Task Order is awarded against a valid project budget. The funds for this contract modification are supported by the various Rail and Bus Division Projects. To date, \$2,501,000 was expended on various transit corridor and capital projects as shown in Attachment B. Since this is a multi-year contract, the Executive Officer is responsible for budgeting future year expenditures, including the Orange Line (800112) and the East Side LRT (800088). The recommended action will also extend the contract for its third-year option.

Potential for Cost Recovery: Yes No N/A

ALTERNATIVES CONSIDERED

The Board could decline to increase the funding for this contract, and a new Environmental Compliance Services contract could be solicited, competitively selected, and procured when funding is exhausted. This would obviate the administrative advantages of a multi-year contract controlled by Task Orders.

LACMTA could prepare individual contracts for each environmental support task needed. To date, 37 Task Orders have been issued for Contract No. EN070. It would not be time or cost-effective to have staff conduct individual procurements for each task required.

LACMTA could do all the environmental compliance support work in house. Insufficient staffing, both in quantity and expertise, equipment, and supplies prevent LACMTA from

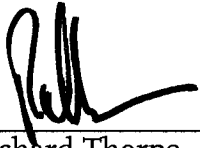
performing the work internally. The LACMTA would have to hire additional staff with expertise in many different subjects, such as traffic, noise and vibration, biology, archaeology, and paleontology, and would thereby incur more cost to do the work internally than by employing a consultant.

The recommended action will allow LACMTA to proceed with performing environmental compliance services for the proposed projects through March 2006. The recommended action will allow a timely method for LACMTA's qualified contractor, Ultrasystems Environmental, Inc., to mitigate environmental related issues for the Major Transit Corridor and Capital Program Projects in a cost controlled manner.

ATTACHMENTS

- A. Small Business Participation
- A-1. Summary of Current and Proposed Work

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BOARD REPORT ATTACHMENT A

LIST OF SUBCONTRACTORS

**INCREASE CONTRACT AWARD NOT TO EXCEED AMOUNT
FROM \$2,551,000 TO \$3,001,000**

SMALL BUSINESS PARTICIPATION (CONTRACT EN070)

This Task Order Contract (TO) has a DBE participation goal of 20%. The Contract was awarded in April 2001 to Ultrasystems Environmental Incorporation (a DBE Prime) for 3 years. Current DBE attainment¹ based on the relevant contract amount² is 35%. Current DBE participation³ based on total actual amount paid-to-date to the Prime Contractor and total actual amount paid-to-date to the DBE firms is 42%.

Since the contract inception, a total of 37 Task Orders have been issued. The DBE Prime is performing on the project as listed below. Three of the six listed DBE subcontractors have been issued task orders to date.

Original Not to exceed (NTE) Amount	\$ 1,400,000
Relevant Contract Value²	\$ 2,381,442
Total Actual Amount Paid to Date to Prime	\$ 1,981,548

12,Subcontractor's Name	Commitment (to date)	Current Attainment ¹	Current Participation ³	Current Status
Ultrasystems (DBE Prime)	CWO	32%	38%	Performing
Cogstone Resource Mgmt.	CWO	1%	2%	Performing
Katz, Okitsu & Assoc	CWO	0%	0%	Performing
Terry A. Hayes Associates	CWO	2%	2%	Performing
Hernandez, Kroone & Assoc.	CWO	0%	0%	Not performing
Lee Andrews Group	CWO	0%	0%	Not performing
Ninyo & Moore	CWO	0%	0%	Not performing
TOTAL	20%	35%	42%	Meeting the Goal

1 Current Attainment = Total Actual Amount Paid-To-Date to Subcontractors ÷ Total Relevant Contract Amount

2 Relevant Contract = Original Contract values (Task Orders) + Contract Cost Modifications

3 Current Participation = Total Actual Amount Paid-To-Date to DBE Subcontractors (including the DBE Prime) ÷ Total Actual Amount Paid-To-Date to Prime Contractor

**BOARD REPORT ATTACHMENT A-1
CONTRACT EN070 SUMMARY OF CURRENT AND PROPOSED WORK**

CURRENT WORK IN PROGRESS/COMPLETED:

Project	Total Contract To Date
Various Capital Projects	\$ 829,012
The Orange Line (800112)	\$ 1,120,500
Metro Red Line (800082)	\$ 448,884
Metro Gold Line (800088)	\$ 102,604
Value of Current Work	\$ 2,501,000

PROPOSED FUTURE WORK THROUGH MARCH 06:

Environmental Compliance Services for the Orange Line	\$ 150,000
Environmental Compliance Services for Eastside Corridor	\$ 200,000
Miscellaneous Capital Projects	\$ 150,000
Value of Proposed Work	<u>\$ 500,000</u>
Value of Current + Proposed Work	\$ 3,001,000
Less Contract EN070 Current Value	<u>\$ 2,551,000</u>
Additional Value Required	\$ 450,000