



Metro

Los Angeles County
Metropolitan Transportation Authority

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**SYSTEM SAFETY AND OPERATIONS COMMITTEE
JUNE 19, 2014**

**SUBJECT: TRANSITION MAINTENANCE OF UNION STATION EAST FROM
PROPERTY MANAGER TO METRO**

**ACTION: AMEND FY15 BUDGET AND APPROVE CONTRACT MODIFICATION
AUTHORITY**

RECOMMENDATION

- A. Amend the FY15 Budget to add 21 FTE's (20 Contract FTE's and 1 Non-Contract FTE) and \$436,000 to Building Services (cost center 6430) to perform facility maintenance and custodial services at Union Station East (East Portal, Patsaouras Transit Plaza, and Parking Garage).
- B. Approve contract modification authority to allow Metro to assume maintenance responsibility for the following services with existing Metro contracts:
- Elevator/Escalator Maintenance: Contract PS14346013 Mitsubishi Electric in the amount of \$615,750 to bring the total contract amount not-to-exceed \$4,467,959 for the addition of three escalators and seven elevators.
 - Pest Control: Contract PS12064104AA with Terminix in an amount of \$330,000 to bring the total contact amount not-to-exceed \$2,932,021 for the additional pest and bird control services required for the Union Station East complex.
 - Building Automation/Control System Maintenance: Contract PS07643022 with Control Technologies in an amount of \$135,500 to bring the total contract amount not-to-exceed \$1,934,500 for the programming of the lighting control, building control and automation system to include the systems in the Union Station East complex as well as additional maintenance of the system.

ISSUE

The recommended actions are required to implement the Board of Directors' decision during its March 2014 closed session to settle an arbitration filed by the Amalgamated Transit Union (ATU) establishing that ATU represented employees will perform building

maintenance services at Union Station East, but will not do so in the historic Los Angeles Union Station (LAUS).

DISCUSSION

Metro and the ATU have agreed that ATU represented employees who maintain the Metro headquarters building will have maintenance responsibility for Union Station East, which opened in 1995 along with the headquarters building. The agreement also established that ATU represented employees will not have maintenance responsibility for historic parts of LAUS, which will continue to be maintained by a property manager. This arbitration and preceding grievance date back to a dispute about division of work at the time the facility was first occupied.

This agreement will have the effect of merging operation of Union Station East facilities with the headquarters building, where it was previously operated in conjunction with historic LAUS. This is logical in that the headquarters building and Union Station East were constructed together and share many of the same equipment and systems. In order to establish seamless unity of command for the entire Metro Headquarters/Union Station East facility, staff also proposes to bring responsibility for custodial services and management of other contracted maintenance services in-house.

Building Services has multi-year contracts in place for headquarters building elevator/escalator maintenance and building automation/control system maintenance, and for system-wide pest control services. The contract modification will apply the existing contract scope of work for these three contracts to include the Union Station East facility. Building Services has also identified several other smaller contracts that can be modified to include the additional area to be serviced. All other service contracts to be modified are below the dollar threshold requiring Board of Directors approval.

By bringing responsibility for this work in-house it will be a reduction of \$1,905,000 for building engineering and janitorial services currently contracted out to the property management company, and an increase of \$2,342,000 for Metro labor, contract and materials costs, for a net increase of \$436,000 to the FY15 operating budget.

DETERMINATION OF SAFETY IMPACT

Transition of maintenance and custodial responsibility from our property manager to Metro will have a neutral impact on safety.

FINANCIAL IMPACT

Additional labor and non-labor costs in cost center 6430 Building Services, project 610061 will be partially offset by reduction in payment to the property manager in cost center 6010 Executive Office, Workforce Services, resulting in a net budget increase of \$436,000 (see Attachment A).

Impact to Budget

The fund source for these services is from the Metro Lease Revenues and is an eligible source due to the Regional users of the Patsaouras transit plaza. No other sources of funds were considered because these funds are programmed for this use.

ALTERNATIVES CONSIDERED

One alternative would be to continue to have the property manager oversee contracted maintenance service included in recommendation B. This was not recommended because it is advantageous to have single contracts and unified command responsibility for these services within this shared facility

NEXT STEPS

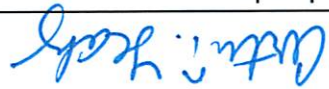
Staff will modify contracts and implement staffing changes to ensure a smooth transition of duties between the property manager and Metro.

ATTACHMENT

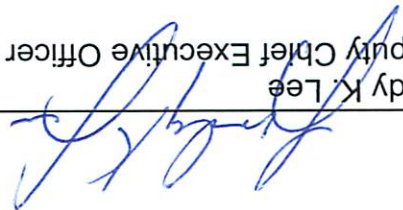
A. Staffing Plan and Budget Changes

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Staffing Plan and Summary of Budget Changes

Staffing Plan

| Classification | Labor Group | FTE's |
|-----------------------------------|-------------|-------|
| Custodian | TCU | 13 |
| Facilities Systems Tech. | ATU | 6 |
| General Services Supv. | AFSCME | 1 |
| Subtotal - Contract FTE's | | 20 |
| Facilities Maintenance Manager NC | | 1 |
| Grand Total | | 21 |

Summary of Budget Changes

| FY15 BUDGET REQUEST CHANGES | | Dollars in |
|---|---------------------------|----------------|
| TRANSITION OF UNION STATION EAST MAINTENANCE | | Thousands |
| FROM PROPERTY MANAGER TO METRO | | |
| 1 Decreases to Contract Maintenance Services by Property Manager (cc 6010) | | |
| 2 | Engineering | (\$985) |
| 3 | Janitorial | (920) |
| 4 | Subtotal | (1,905) |
| 5 Increases to Direct Maintenance Cost by Building Services (cc 6430) | | |
| 6 | Fully Burdened Labor Cost | 2,142 |
| 7 | Non-Labor | 200 |
| 8 | Subtotal | 2,342 |
| 9 | Net Increase | \$436 |