



Metro

Los Angeles County
Metropolitan Transportation Authority

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July 17, 2015

TO: BOARD OF DIRECTORS

THROUGH: PHILLIP A. WASHINGTON *PAW*
CHIEF EXECUTIVE OFFICER *for*

FROM: BRYAN PENNINGTON *B.P.*
EXECUTIVE DIRECTOR, CONSTRUCTION & ENGINEERING

**SUBJECT: STAFFING REQUEST FOR ENGINEERING & CONSTRUCTION
DEPARTMENT'S TRANSIT PROJECTS**

ISSUE

This report summarizes the responses to the following questions by Directors Knabe, Dubois and Dupont-Walker at the Construction Committee held on July 16, 2015:

1. Directors Knabe and Dubois requested information on the total cost of the proposed CMSS consultant conversions versus the cost of the proposed 33 non-contract Metro positions and how these positions can be tracked and monitored.
2. Director Dupont-Walker requested information on the total number of consultant conversions.
3. Directors Knabe and Dubois requested information on the number of projects that the Construction Management Support Services (CMSS) contracts have worked on including their performance activities throughout their contract term.

DISCUSSIONS

Staff is requesting a total of 33 non-contract metro positions of which 28 (of the 33) are CMSS/consultant conversions. If these positions were filled by consultants, the total cost for 28 CMSS/consultant positions for the life of projects for the main transit projects including Environmental Compliance & Sustainability is approximately \$73 million. By converting these 28 CMSS/consultant positions to non-contract Metro positions, the total cost for these Metro functions is reduced to approximately \$43 million. This results

in a potential cost savings of approximately \$30 million. However, by applying a 30 percent discount against the potential cost savings of \$30 million to account for market conditions, salary variations, and other staffing considerations, the total potential cost savings is approximately \$21 million for the life of the projects. Refer to Table C.

The remaining five of the 33 positions can also be considered consultant conversions for these specific positions as there is a strong business case to use in-house Metro personnel versus consultant positions to support other transit and capital improvement projects. Based on our preliminary calculations, the annual total cost for the five consultant positions is approximately \$1.7 million. The total cost of using non-contract Metro positions is approximately \$1.1 million. Therefore, the potential annual cost savings is approximately \$638,000. By applying a 30 percent discount against the potential annual cost savings of \$638,000 to account for market conditions, salary variations, and other staffing considerations, the total potential cost savings is reduced to approximately \$447,000 with up to \$3.1 million in potential savings for the life of projects as outlined in Table A-1. This potential cost savings is over and above the \$21 million mentioned on page 1. These five non-contract Metro positions are dealt with separately because they would be provided by separate consultant contracts that are unrelated to the three main CMSS consultant contracts.

Staff is proposing to use Table A-1 and C-1 to monitor and track the CMSS/consultant conversions and the new non-contract Metro positions by total costs and potential savings. Staff will report back within six months with the results.

As for the information on the number of projects and performance activities of the CMSS consultant contracts, this will be addressed in a separate board box.

NEXT STEPS

Staff will report back by December 2015 on the actual number of non-contract Metro positions hired and placed on the projects. This report will include the cost impacts effectuated by the conversion of positions affecting the CMSS, Metro and contingency line items by project.

TABLE A-1 Potential Cost Savings of 5 Metro FTEs	Annual CMSS Burdened Rate	CMSS Hourly	Metro Annual Burdened Rate	Metro Hourly	Difference in Salary	Cost Savings	Potential Savings
Director, Construction Management	\$ 462,560	\$ 245	\$ 280,218	\$ 148	61%	39%	\$ 182,342
Sr. Engineering Manager	\$ 462,560	\$ 245	\$ 252,213	\$ 134	55%	45%	\$ 210,347
Sr. Engineer	\$ 262,432	\$ 139	\$ 207,680	\$ 110	79%	21%	\$ 54,752
Signage & Environmental Design Manager	\$ 294,528	\$ 156	\$ 207,680	\$ 110	70%	30%	\$ 86,848
Sr. Environmental Designer	\$ 262,432	\$ 139	\$ 158,592	\$ 84	60%	40%	\$ 103,840
					TOTAL POTENTIAL COST SAVINGS		\$ 638,139
					30% Discount		\$ 446,690
					LIFE OF PROJECTS (7 years)		\$ 3,126,832

TABLE C- COST BENEFIT ANALYSIS	FY 16			TOTAL		
	BURDENED COST	CMSS/Consultant	Metro	Potential Cost Savings	CMSS/Consultant	Metro
Crenshaw/LAX	\$ 3,795,441	\$ 2,355,379	\$ 1,440,084	\$14,139,945	\$ 8,603,616	\$ 5,536,329
Regional Connector	\$ 3,376,713	\$ 2,133,057	\$1,243,656	\$ 13,035,390	\$ 7,736,037	\$ 5,299,353
Westside PLE 1	\$ 1,561,529	\$ 945,272	\$ 616,258	\$ 19,563,375	\$ 12,394,266	\$ 7,169,109
Westside PLE 2	\$ -	\$ -	\$ -	\$ 22,309,702	\$ 12,428,160	\$ 9,881,542
Environmental & Sustainability	\$ 627,382	\$ 345,526	\$ 281,856	\$ 4,517,155	\$ 2,239,008	\$ 2,278,147
TOTAL	\$9,361,065	\$ 5,779,234	\$ 3,581,854	\$ 73,565,567	\$ 43,401,087	\$ 30,164,480
		30% Discount	\$ 4,958,916		30% Discount	\$ 21,115,136

**TABLE C-1
CMSS/Consulting Conversion Cost Savings for FY2016**

WESTSIDE PURPLE LINE EXTENSION SECTION 1 PROJECT						
PROJECTED COST OF CMSS/CONSULTANT			METRO			YEARLY COST SAVINGS FY16
POSITION	HOURLY BURDENED RATE CY2016	YEARLY BURDENED SALARY	EQUIVALENT POSITION	HOURLY BURDENED RATE	YEARLY BURDENED SALARY	
Sr. Configuration Management Analyst	\$87	\$163,368	Sr Configuration Management Analyst	\$84	\$158,858	\$4,510
Lead Inspector	\$199	\$375,302	Sr Construction Inspector (Quality)	\$92	\$172,764	\$202,538
Sr. Environmental Specialist	\$128	\$241,664	Principal Environmental	\$92	\$172,763	\$68,901
Construction Claims Analyst	\$240	\$453,646	Sr. Construction Claims Analyst	\$134	\$252,225	\$201,421
Sr. Contract Administrator	\$173	\$327,550	Sr Contract Administrator	\$100	\$188,661	\$138,888

REGIONAL CONNECTOR PROJECT						
PROJECTED COST OF CMSS/CONSULTANT			METRO			YEARLY COST SAVINGS FY16
POSITION	HOURLY BURDENED RATE CY2016	YEARLY BURDENED SALARY	EQUIVALENT POSITION	HOURLY BURDENED RATE	YEARLY BURDENED SALARY	
Inspector (Senior) Structural	\$157	\$297,150	Construction Inspector	\$84	\$158,858	\$138,292
Inspector (Senior) Mechanical	\$166	\$314,017	Construction Inspector	\$84	\$158,858	\$155,159
Inspector (Senior) Trackwork	\$197	\$371,487	Construction Inspector	\$84	\$158,858	\$212,629
Construction Manager (Sr.)	\$303	\$571,420	Quality Assurance Manager	\$110	\$206,981	\$364,440
Rail Activation Engineer	\$189	\$356,214	Sr Construction Manager	\$134	\$252,212	\$104,001
Lead Tunnel/Geotechnical Engineer	\$154	\$290,701	Sr. Geotechnical Engineers	\$143	\$269,456	\$21,245
Systems Engineer	\$152	\$287,514	Sr. Systems Engineers	\$143	\$269,456	\$18,058
Environmental Compliance	\$143	\$270,851	Sr. Environmental Specialist	\$84	\$158,859	\$111,992
Deputy Director Project Controls	\$230	\$433,988	DEO Project Controls	\$173	\$326,755	\$107,233
Configuration Management/Document Control Supervisor	\$97	\$183,370	Configuration Management Supervisor	\$92	\$172,763	\$10,607

CRENSHAW/LAX & SOUTHWESTERN YARD PROJECT						
PROJECTED COST OF CMSS/CONSULTANT			METRO			YEARLY COST SAVINGS FY16
POSITION	HOURLY BURDENED RATE CY2016	YEARLY BURDENED SALARY	EQUIVALENT POSITION	HOURLY BURDENED RATE	YEARLY BURDENED SALARY	
Systems RE	\$245	\$462,560	Sr Construction Mgr	\$135	\$254,090	\$208,472
Sr Environmntl Spclst	\$171	\$322,414	Sr Env Specialist	\$84	\$158,858	\$163,557
Sr Quality Engr	\$141	\$266,208	Sr Quality Engineer	\$92	\$172,764	\$93,446
Inspector	\$141	\$266,208	Sr Construction Inspector	\$92	\$172,764	\$93,446
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Dir, Construction Mgmt	\$245	\$462,560	Dir Construction Mgmt	\$148	\$280,219	\$182,344
Office Engineer	\$133	\$251,104	Construction Mgr	\$110	\$206,981	\$44,125
Sr Contract Admnstr	\$209	\$394,781	Sr Contract Administrator	\$100	\$188,661	\$206,121
DEO Claims Avoidance	\$287	\$541,856	Deputy Exec Officer	\$171	\$323,302	\$218,557
Sr Project Control Manager	\$156	\$295,335	Sr Project Control Mgr	\$134	\$252,212	\$43,124

ENVIRONMENTAL COMPLIANCE & SUSTAINABILITY						
PROJECTED COST OF CMSS/CONSULTANT			METRO			YEARLY COST SAVINGS FY16
POSITION	HOURLY BURDENED RATE CY2016	YEARLY BURDENED SALARY	EQUIVALENT POSITION	HOURLY BURDENED RATE	YEARLY BURDENED SALARY	
Principal Environmental Specialist	\$166	\$313,691	Principal Environmental	\$92	\$172,763	\$140,928
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Note: Total may not add due to rounding.

Summary	Westside Purple Line	Regional Connector	Crenshaw/ LAX &	Environmental	Total
Total CMSS/Consulting	5	10	11	2	28
In Engineering & Construction	2	8	8	2	20
In Support Departments	3	2	3	0	8
Total CMSS/Consultant	\$616,258	\$1,243,656	\$1,440,084	\$281,856	\$3,581,853