



Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE
JULY 17, 2003

SUBJECT: PS-2410-1308, EXECUTIVE MANAGEMENT-DESIGN AND FACILITATION STRATEGIC CONSULTANT SERVICES BENCH

ACTION: AUTHORIZE THE ESTABLISHMENT OF AN EXECUTIVE MANAGEMENT-DESIGN SERVICES BENCH FOR AGENCY-WIDE STRATEGIC FACILITATION

RECOMMENDATION

- A. Authorize the Chief Executive Officer to award a one year multiple award agreement with six firms, AECOM Consulting Transportation Group, Bearing Point, Inc., Booz Allen Hamilton, Innovative Resources, Insight Strategies, Inc. and Trustworks, Inc. to provide Executive Management Design facilitation strategic services in an amount not to exceed \$600,000.
- B. Authorize the Chief Executive Officer to execute Task Orders under these agreements for facilitative related services.

RATIONALE

A Strategic Consultant Services Bench of six firms was finalized through procurement as a result of a competitive selection process to bring the strategic planning process down to the next level and reinforce strategic and tactical goals. All the recommended firms have been determined to have the technical ability. The firms will provide expertise in process improvement efforts, strategic planning and team development/team building.

The firms will work from a series of three tracks consisting of the CEO's Executive Management Team, Deputy Chief Executive Officer and General Managers, and various levels of management. Under track 1 the firms will facilitate a process that creates an environment of trust, communication, collaboration and cooperation among the CEO's direct reports and executive management team. Under track 2 the firms will facilitate an Operations strategy session and develop a template for the Transportation Operations Executive Leadership Team and Service Sector Management to evaluate and track service sector progress. Under track 3 the firms will work specifically with various levels of management to provide executive leadership coaching to include business/competency requirements, assessment and feedback, course of action/performance plan of improvement, and implementation.

BACKGROUND

In January 2002, the CEO began the strategic planning process with a cross-section of seventy MTA management team members to develop an agency-wide five-year strategic plan. This team of MTA leaders met on six different occasions over the course of the year to discuss the agency's various programs, services and strategic approaches, and determined how the agency measures its success. The team reaffirmed their responsibility to the continuous improvement of an efficient and effective transportation system for Los Angeles County through the identification of the strategic goals. Each strategic goal has one or more objectives, defined by one or more implementation strategies, which have been aligned to a series of recommended action steps, intended to improve overall performance.

The MTA seeks to be recognized as a leader in the national transportation industry. This vision cannot be achieved without the continued commitment, energy and hard work of each and every MTA employee. Given this reality, the strategic plan has been established as a road map focused on each employee's individual role and responsibilities. It is critical that the MTA communicate with one voice, work better together as a cross-functional and integrated team, and establish accountability for individual and organizational performance.

FINANCIAL IMPACT

The funding of \$600,000 for professional services is included in the FY 04 budget under various cost centers. Individual cost centers will budget for the services required when needed. The project manager and Chief of Staff will be accountable for project management and budgeting the appropriate costs.

ALTERNATIVES CONSIDERED

- A. Solicit competitive bids for each individual task as it become due. This is not recommended as it would require extensive staff time to process each contract and result in project delays due to the time required to complete each procurement request. Additionally, procuring these services on per assignment basis does not provide any opportunities for bundled cost savings.
- B. Utilize existing Organizational Development & Training (OD&T) staff to provide the required facilitative support services. This is not feasible as the current budgeted OD&T capacity is fully utilized to maintain MTA's existing and ongoing professional development training programs. Also, there would not be sufficient existing staff to re-assign to provide the required services for the various departments.

ATTACHMENT(S)

- A Procurement Summary
- A-1 Procurement History
- A-2 List of Subcontractors

Prepared by: Diane Corral-Lopez, Executive Administration Manager
Geyner J. Paz, Assistant Administrative Analyst

Maria A. Guerra

Maria A. Guerra
Chief of Staff

Roger Snoble

Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

**EXECUTIVE MANAGEMENT DESIGN AND FACILITATION
STRATEGIC CONSULTANT SERVICES BENCH**

1.	Contract Number: PS 2410 1308		
2.	Recommended Vendor: See Attachment A-2		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$ N/A	Recommended Price: \$ Not to Exceed \$600,000 for all Task Order contracts.	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm-Fixed-Price and Time-and-Materials Bench		
5.	Procurement Dates:		
	A. Issued: 11/08/02		
	B. Advertised: 11/18/02		
	C. Pre-proposal Conference: 11/14/02		
	D. Proposals Due: 12/20/02		
	E. Pre-Qualification Completed: 3/10/03		
	F. Conflict of Interest Form Submitted to Ethics: 6/17/03		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: 20% DBE	B. Date Small Business Evaluation Completed: 1/28/03	
	Small Business Commitment: 20% per contract goal requirement. Enforcement will be accomplished through task order proposals against definitive Statements of Work.		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: ~60	Bids/Proposals Picked up: 28	Bids/Proposals Received: 13
8.	Evaluation Information:		
	A. Bidders/Proposers Names: AECOM Transportation Group Bearing Point Booz Allen Hamilton Innovative Resources Insight Strategies TrustWorks	Project-by-Project (team & individual proposals) Callisto International Morrison McNabb SportsMind Strategic Sense Sullivan International	<u>Bid/Proposal Amount:</u> \$ N/A
			<u>Best and Final Offer Amount:</u> \$ N/A
	B. Evaluation Methodology: Best Value. Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: 07/15/2003		
	B. Protest Receipt Date: TBD		
	C. Disposition of Protest Date: TBD		
10.	Contract Administrator: Deborah Spottsville	Telephone Number: 922-3633	
11.	Project Manager: Diane Corral-Lopez	Telephone Number: 922-7676	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY**

**EXECUTIVE MANAGEMENT DESIGN AND FACILITATION
STRATEGIC CONSULTANT SERVICES BENCH**

A. Background on Contractor

1. AECOM Consulting Transportation Group, Inc.
2751 Prosperity Avenue, Suite 300
Fairfax, Virginia 22031

AECOM Consulting is a nationally recognized leader in providing professional planning, finance, economics and development, management consulting, information technology; freight and intermodal; and Federal Program Support services to the transportation industry. It has experience with MTA (Current Year Operating and Capital Budget Analysis), Amtrak-National Railroad Passenger Corporation, Transportation District of Hampton Roads Transit, Regional Transportation District of Denver, and the Washington Metropolitan Area Transit Authority.

2. BearingPoint, Inc.
355 S. Grand Ave., Suite 2000
Los Angeles, California 90071

BearingPoint, headquartered in McLean, Virginia, is a spin-off of BearingPoint LLP, a privately held partnership founded in 1987 with the merger of Peat Marwick International (PMI) and Klynveld Main Goerdeler (KMG) and their individual member firms. Its many clients include the California Department of Transportation, California Metropolitan Transportation Commission, Chicago Regional Transportation Authority, Federal Transit Administration, and Regional Transportation Commission of Washoe County, Nevada.

3. Booz Allen Hamilton, Inc.
8283 Greensboro Drive
McLean, Virginia 22102

Booz Allen Hamilton, Inc. was founded in 1914 and is one of the world's largest and most widely respected international management and technology consulting firms. Its Transportation Team provides consulting team includes professionals who are experts in the development and implementation of business processes, including strategic action planning, team and leadership development and executive coaching. In addition to the MTA, its many clients include the New York MTA, Washington Metropolitan Area Transit Authority, and the Maryland MTA.

4. Innovative Resource Consulting Group, Inc.
One Park Plaza, Suite 600
Irvine, California 92614

IRCG has proven expertise in the areas of organizational development and leadership and team building. It has over 20 years of experience with numerous public and private agencies throughout the United States. IRCG has worked for the MTA providing Team Building and Organizational Assessment Services, and its other clients include Metrolink, OCTA, City of Santa Monica, Caterpillar, Hitachi and Hughes Aircraft.

5. Insight Strategies, Inc.
2615 W. 190th Street, Suite #241
Redondo Beach, California 90278

Insight Strategies has been consulting, training and coaching since 1994, and since 1996, has consulted and trained with transit agencies in many areas, including strategic planning, leadership, team building, and one-on-one coaching. In addition to the MTA, Insight's transit clients include the Santa Monica Big Blue Bus, Orange County Transportation Authority (OCTA), The County Connection, and the American Public Transportation Association (APTA).

6. TrustWorks Group, Inc.
2247 San Diego Avenue, Suite 232
San Diego, California 92110

TrustWorks has been in business since 1987, and was incorporated in 1998 under the name of MPA, Inc. In 2002, the organization's name changed to TrustWorks Group, Inc. It is an organizational development consulting firm whose scope of services includes strategic planning facilitation, executive and intact team development, organizational change management, and development of customized leadership and customer service training programs. TrustWorks is currently under contract with MTA to develop management team development services. Its other clients include Dallas Area Rapid Transit (DART), Gensia Sicor, Qualcomm, Inc., San Diego National Bank, and Sony Electronics, Inc.

B. Procurement Background

These professional services bench contracts are anticipated to total \$600,000 in task orders over the life of the bench, which is one-year.

Each bench contractor has expertise in at least three of the following areas:

- **Training**
- **Strategic Planning**
- **Team Building**
- **Leadership Development/Coaching**

Task orders will be competed only among those bench contractors who has expertise in the area(s) addressed by the Statement of Work. Task orders will be awarded to the Bench contractor who offers the best value to the MTA.

The Diversity & Economic Opportunity Department (DEOD) established a 20% Disadvantaged Business Enterprise (DBE) goal. Compliance with the DBE program requirements will be accomplished through task order proposals reviewed against definitive Statements of Work. Achievement of the contract goal is based on the aggregate DBE attainment and participation percentages of the total task order(s) issued to the respective contractor.

Placement on the bench does not guarantee an award of any task order.

C. Evaluation of Proposals

This procurement was conducted using the Best Value evaluation methodology; i.e., selecting the teams whose proposal represents the best value to the MTA on the basis of (1) the merits of the proposal, (2) the team's relative capability, and (3) price reasonableness.

The evaluation was conducted in two steps: Step One—evaluating the written proposals to determine the competitive range based on the evaluation factors and an initial risk analysis; Step Two—oral presentations by the teams in the competitive range. Thirteen proposals were received; eight were determined to be in the competitive range and gave oral presentations. The eight included the six teams listed under Section A above and two proposals submitted by Project-by-Project Consulting, an individual proposal and a team proposal. The five firms that did not progress to Step 2 failed one or more of the four Acceptability criteria.

The Source Selection Committee selected the aforementioned six firms because they demonstrated the greatest technical ability at a reasonable, realistic and affordable price based on the evaluation criteria, and thus will represent the best value to the MTA. Both Project-by-Project proposals were not selected because the evaluated prices are, in most cases, more than twice as high as the other proposers, and when compared to its technical competence and assessed risk, do not represent the best value to the MTA.

D. Cost/Price Analysis Explanation of Variances

Each proposer submitted fully loaded labor rates. The rates proposed each bench contractor have been determined to be fair and reasonable based on adequate price competition.

Each individual task order will be competed and negotiated on either a Firm-Fixed-Price or Time-and-Material basis and will comply with all requirements of MTA Procurement Policies and Procedures, including receipt of a proposal for the specific task order and an independent price estimate before the task order is awarded.

**BOARD REPORT ATTACHMENT A-2
LIST OF SUBCONTRACTORS**

**EXECUTIVE MANAGEMENT DESIGN AND FACILITATION
STRATEGIC CONSULTANT SERVICES BENCH**

	Prime Contractor	Small Business Subcontractors	DBE Goal Commitment	Other Subcontractors
1.	AECOM Consulting Transportation Group	MBI Media Moore Lacofano Goltsman, Inc.	20%	DMJM+HARRIS, Inc. CSL Consulting, Inc. Will Scott Consulting, LLC
2.	BearingPoint, Inc.	Karen Antions	20%	
3.	Booz Allen Hamilton	Moore Lacofano Goltsman, Inc. O'Melia Consulting Dr. Marissa Pei-Carpenter	20%	
4.	Innovative Resources	Insight Strategies	20%	
5.	Insight Strategies, Inc.	Not Applicable	50%	Erin Rogers, Carita Ducre
6.	TrustWorks, Inc.	Nunez and Associates Oscar's Printing	20%	



FAX COVER

MTA SECRETARY'S OFFICE

Date: JULY 14, 2003

TO: MTA BOARD OF DIRECTORS

Zev Yaroslavsky, Chair
Frank Roberts, 1st Vice Chair
James Hahn, 2nd Vice Chair
Michael Antonovich
Hal Bernson
Yvonne Brathwaite Burke
John Fasana
Paul Hudson
Don Knabe
Gloria Molina
Pam O'Connor
Beatrice Proo
Allison Yoh
Doug Failing, Ex-Officio

cc: CEO; DCEO

FROM: BOARD SECRETARY'S OFFICE

ATTACHED ARE THE FOLLOWING:

- REVISED ATTACHMENTS A-1 AND A-2 FOR ITEM 23 (EXECUTIVE MANAGEMENT & AUDIT COMMITTEE)
- SUPPLEMENTAL INFORMATION FOR ITEM 30 (PLANNING & PROGRAMMING COMMITTEE)

We are transmitting 7 page(s). Please call (213) 922-4600 if you do not receive the entire fax. Our fax Number is (213) 922-4594.

REVISED

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