

**MOTION BY
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**Executive Management and Audit Committee
November 19, 2009**

**Improving MTA Policies, Practices & Organizational Structure
to Ensure Successful Measure R Project Delivery**

The passage of Measure R will generate an estimated \$38 billion in new revenue over the next 30 years for transit, highway, and other transportation programs.

These projects will help improve regional transportation service, reduce green house gases and connect commuters to employment centers in Los Angeles County.

In order to keep faith with LA County tax payers, MTA deliver these projects on-time and on-budget as well as explore ways to accelerate project delivery.

One way to expedite transportation projects is through creative procurement and project delivery methods.

MTA needs to evaluate its current procurement policies, procedures, practices, and organizational structure to ensure that the agency can deliver the projects in the fastest possible time frame and that there are no institutional barriers that will prevent MTA from achieving the fastest possible project schedules.

I THEREFORE MOVE that the MTA Board direct the CEO to

1. Form an industry peer review and advisory group consisting of private sector companies that provide transportation construction services - including but not limited to architecture & engineering, construction management, and contractors - to provide recommendations to the CEO on potential changes to MTA's procurement policies and processes that will speed up overall project delivery
2. Evaluate whether MTA's existing procurement department is positioned to efficiently deliver Measure R and other capital projects in the next decade, on both the LRTP and an accelerated 10-year schedule, including but not limited to:
 - A. Organizational structure, including creation of a construction procurement position within MTA
 - B. Staffing levels
 - C. Procurement policies and procedures

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3. Evaluate changes to MTA's construction policies, procedures, and practices that could accelerate project delivery schedules, including but not limited to:
 - A. Pre-qualification of architecture & engineering, construction management, and construction companies
 - B. Increasing the CEO's signature authority and/or Construction Committee authority for contract change orders
 - C. Completing all utility work, right-of-way, and pre-construction work before the contract award or notice to proceed for the main project construction
 - D. Executing signed agreements with all third party entities (i.e. cities, county, utility companies, etc.) for project design requirements, specifications, and special provisions before contract award
 - E. Purchasing or securing futures for raw construction materials (e.g. aggregate, concrete, steel, timber, etc.) in advance of project construction
4. Evaluate whether changes to MTA's current audit policies and practices can be made to accelerate project delivery schedules without compromising audit integrity
5. Evaluate whether MTA's current project and program management systems conform with the best practices used in the architecture & engineering, construction management, and construction fields and determine whether MTA should upgrade its systems to improve project delivery
6. Determine the project delivery schedule savings if MTA received federal approval (e.g. in SAFETEA-LU reauthorization) to study projects under the California Environmental Quality Act (CEQA) in lieu of the National Environmental Policy Act (NEPA)
7. Evaluate whether a semi-autonomous or autonomous organizational unit (e.g. construction authority) would enable MTA to deliver projects more effectively
8. Consider any other organizational changes that will ensure the fastest possible project delivery

I FURTHER MOVE that the MTA Board direct the CEO to provide an interim progress report during the March 2010 Board cycle and final recommendations during the June 2010 Board cycle.

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