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**MAY 27, 2020**

**TO: BOARD OF DIRECTORS**

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

**FROM: DEBRA AVILA** DAvila  
**CHIEF VENDOR/CONTRACT MANAGEMENT OFFICER**

**RICHARD CLARKE** RFC  
**CHIEF PROGRAM MANAGEMENT OFFICER**

**SUBJECT: HIGHWAY ON-CALL UTILIZATION OF METRO-  
CERTIFIED SMALL AND DISADVANTAGED BUSINESS**

**ISSUE**

On May 20, 2020, the Planning and Programming Committee approved staff recommendation for award of the Highway Professional Services On-Call contracts to HNTB Corporation, Parsons Transportation Group, TranSystems Corporation, and WKE, Inc. At the Committee meeting, Chair Solis requested information on the selected firms' records on utilization of small and disadvantaged businesses.

This report is providing the requested information.

**BACKGROUND OR DISCUSSION**

The current Metro Highway On-call has been in place since 2017 and expires in June 2020. Of the four firms selected for the new On-call contracts commencing in June 2020, only one (Parsons Transportation Group) was on the former On-call contract. HNTB Corporation and TranSystems Corporation have not primed any recent Highway contracts.

Table 1 below shows the Highway Prime Consultants' DBE/SBE/DVBE performance on the current Highway On-call contract:

**Prime Contractor: Parsons Transportation Group**

Contract Number and Name	DBE/SBE/DVBE Commitment	DBE/SBE/DVBE Participation	Status
AE30673002-TO4 Highway Program Project Control Support Services	0%	0%	Parsons Transportation did not make a commitment on this TO
AE30673016-TO7 Imperial Highway Corridor Capacity Enhancements in the City of Lynwood	5.50% SBE	6.21% SBE	Exceeding
AE30673019-TO8 I-405 Improvements Project A Project Study Report (PSR- PDS)	8.89% SBE / 3.51% DVBE	30.86% SBE / 12.17% DVBE	Exceeding
AE30673022-TO9 I-5 North Construction - Segment 3 (Empire), Segment 4 (Magnolia)	93.30% SBE	93.32% SBE	Exceeding
AE30673026-TO10 I-5 North Chokepoint Relief Project PS&E	92.64% SBE	94.27% SBE	Exceeding
AE30673027-TO11 I-5 North Corridor Improvement Project - Segment 3 (Empire Ave), Segment 4 (SR-134 to Magnolia Blvd)	93.17%	100.00% SBE	Exceeding
AE30673028-TO12 Design work for traffic signal upgrades at 7 intersections on Figueroa St and Main St. in the City of Carson	7.30% SBE	0.00% SBE	Task order was issued in December 2019. Metro has not made a payment to Parsons Transportation Group
AE30673029-TO13 I-5 North Chokepoint Relief Project Pre-Construction	96.52% SBE	100% SBE	Exceeding

Table 2 below shows the DBE/SBE/DVBE performance for the four selected firms on current active contracts

**Prime Contractor: Parsons Transportation Group**

Contract Number and Name	DBE/SBE/DVBE Commitment	DBE/SBE/DVBE Participation	Status	Notes
AE4255900 I-605/I-5 Project Approval/Environmental Document (PA/ED) (AE-3334-1001-1375)	27.25% SBE / 3.03% DVBE	28.97% SBE / 2.30% DVBE	Exceeding SBE DVBE Shortfall 0.73%	Parsons submitted their shortfall response and indicated that the contract is anticipated to continue until May 2021, which will provide additional opportunities to utilize the SBE/DVBE Subcontractor
PS-4720-3328 I-710 Soundwall Design Package 2 – North of SR 91	32.24% SBE	26.95% SBE	Shortfall 5.30%	Parsons submitted their shortfall response and indicated that the contract includes construction support services and SBE firms will be utilized during that phase. DEOD has requested Parson provide a utilization plan.
PS21002200 (Non-Highway) Regional Integration of Intelligent Transportation Systems (RIITS) Modernization (PS-5204-5002-1002)	17.96% SBE / 5.17% DVBE	22.83% SBE / 9.39% DVBE	Exceeding	

**Prime Contractor: W K E, Inc.**

AE51890002 Plans, Specifications and Estimates (PS&E) for SR-57/SR-60 Interchange Improvements	24.25% SBE / 3.03% DVBE	24.96% SBE / 1.63% DVBE	DVBE Shortfall 1.41%	WKE submitted their shortfall plan on and indicated that the SBE / DVBE subcontractors will be utilized through April 2021.
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**Prime Contractor: HNTB**

PS-2415-3046 Doran Street Crossing	26.45% SBE	21.88% SBE	Shortfall 4.57%	HNTB submitted their shortfall response and indicated that the project is entering into the final design phase where significant portions of the work are being performed by SBE subconsultants. With the commencement of the final design phase, the SBE participation will now start increasing.
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AE57645001 SR-91 Acacia Court To Central Avenue Improvement Project (AE57645000)	21.83% SBE / 3.21% DVBE	15.69% SBE / 7.08% DVBE	SBE Shortfall 6.14%	HNTB submitted their shortfall response and indicated that the SBE firms have a significant role to contribute for the remaining work and they expect to meet the committed goals within the next 3 months.
PS-2415-3024- TO2-01 Bob Hope Airport Hollywood Way Station (Non- Highway)	28.16% DBE	33.52% DBE	Exceeding	

**Prime Contractor: TranSystems  
Corporation**

AE38849001 Southbound Interstate 605 from State Route 91 to South Street Improvements (Engineering Services) (AE38849000)	33.52% SBE / 4.31% DVBE	23.46% SBE / 3.57% DVBE	DVBE Shortfall 0.74%	TranSystems submitted their shortfall response and indicated that 5 of the SBE/DVBE subcontractors have not fully invoiced TranSystems. When these firms are fully paid the level of participation will be 29.36%
PS-4720-3329 I-710 Soundwall Design Package 1 – Non-Freeway Walls	29.15% SBE	31.41% SBE /	Exceeding	

- Parsons Transportation Group (PTG) currently has three active contracts with Metro. PTG is exceeding their commitment on one of the three contracts. On the remaining two contracts, PTG has a slight shortfall and has submitted a mitigation plan which will provide additional opportunities to utilize the SBE/DVBE subcontractors through May 2021.
- W.K.E. Inc. (WKE) currently has one active contract with Metro. WKE currently has a shortfall but have indicated in their mitigation plan that SBE/DVBE subcontractors will be utilized through April 2021.
- HNTB currently has three active contracts with Metro. HNTB is exceeding their commitment on one of the three contracts. On the remaining two contracts, HNTB has a slight shortfall and submitted a mitigation plan detailing the utilization of small businesses to increase participation, as the contracts enter the final phase.
- TranSystems, Corporation currently has two active contracts with Metro. TranSystems is exceeding the commitment on one contract and has a shortfall on the other. TranSystems has indicated that five of the SBE/DVBE subcontractors have not fully invoiced for their services, but once fully paid the level of participation will increase.

To address Director Dupont-Walker's request, the history of how the prime consultants have worked with the under-utilized businesses is demonstrated in the fulfillment of the small business commitments made at the time of award of the contract. This is evidenced through the prime consultant's compliance with

prompt payment, negotiating in good faith with small businesses, utilizing the firms as listed, complying with the substitution/termination process, and submitting shortfall mitigation plans and executing the plan to fulfill commitments.

## **NEXT STEPS**

Staff will proceed to execute new on-call contracts with HNTB Corporation, Parsons Transportation Group, TranSystems Corporation and WKE, Inc., if approved by Metro Board and will monitor utilization of small and disadvantaged businesses on all teams to ensure contract goals are met.