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May 5, 1997

TO: BOARD OF DIRECTORS

FROM: LINDA BOHLINGER *Linda Bohlinger*
INTERIM CHIEF EXECUTIVE OFFICER

**SUBJECT: APPROVAL OF A SUPPLEMENTAL AGREEMENT TO
CONTRACT NO. PS631110107 FOR ADDITIONAL
CONSULTANT SERVICES IN THE IMPLEMENTATION
OF A CONSOLIDATED PROCUREMENT ORGANIZATION**

Los Angeles County
Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012

213.922.6000

RECOMMENDATION

Approve a non-competitive Supplemental Agreement to Contract PS631110107 with Administrative Management, Inc., (formerly Wayne Wilson, Inc.) to perform the additional consultant services in the implementation of a consolidated procurement organization (Attachment A), increasing the contract total value by \$167,096 to a new total of \$267,096.

ORGANIZATIONAL IMPACT

The above actions will facilitate further work towards the completion of the consolidation of the two former MTA Procurement Organizations, e.g., Materiel and Construction Contracts and the implementation of a set of uniform Procurement Policies and Procedures.

BUDGET IMPACT

These additional services will require a budget transfer from the Board Contingency since there are no funds for this effort in departmental budgets.

ALTERNATIVES CONSIDERED

The alternative to this non-competitive award is to conduct a competitive procurement process for the additional work. This alternative is not recommended because of the need to facilitate the consolidation process on a faster track than a competitive process would permit.

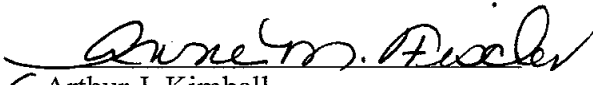
BACKGROUND

At the March Board meeting, Director Molina requested that AMI provide a status on the development of a consolidated set of contracting policies and procedures which will ensure ethical, efficient and compliant implementation of the procurement process. AMI's preliminary recommendations in the form of a draft Procurement Policies and Procedures Manual will be presented at the June Board meeting. As a part of Director Molina's motion, AMI was requested to make an additional presentation regarding the contents of the new manual and a draft "Procurement-specific Code of Conduct, which requires finalization, incorporating MTA Ethics Department comments.

Further Board member requests included supplementing the current AMI contract effort to include the development of desk procedures, standardized contractual "boilerplate" documents and the training of MTA staff in the use and requirements of the new policies, procedures and instructions to ensure standardization and compliance.

The original contract effort was valued at \$50,000, which was increased under the CEO's authority to \$100,000 when the Board required that AMI write the new Procurement Policies and Procedures Manual. The addition of these supplemental activities is over the CEO's approval authority for changes to the contract and therefore requires Board approval.

Prepared by: Anne M. Fischer, Acting Deputy Executive Officer, Materiel


for Arthur J. Kimball
Executive Officer, Office of Procurement

ATTACHMENT A

ADDITIONS TO THE SCOPE OF WORK

- A. Finalize the Procurement-specific Code of Conduct incorporating MTA Ethics' Department comments.

- B. Review with the Executive Officer, Office of Procurement and Legal staff and finalize the draft new Procurement Policies and Procedures Manual.

- C. Prepare and present the contents of the draft new Procurement Policies and Procedures Manual to the MTA Executive Management Committee and the Board of Directors at their June meetings.

- D. Develop a detailed procurement policy instruction manual for use by MTA Procurement personnel, which implements the recently developed Procurement Policy and Procedures Manual.

- E. Review, edit, create or rewrite, as required, MTA "boilerplate" contract clauses for use in MTA procurement actions.

- F. Train appropriate MTA personnel in the content and use of the requirements in the Procurement Policy and Procedures Manual.