

AMENDMENT NO. 2 TO CONTRACT NO. QM152-15**BETWEEN****SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY****AND****PADILLA & ASSOCIATES, INC****FOR****DBE AND LABOR COMPLIANCE MONITORING SERVICES**

This Contract Amendment, effective April 8, 2016, is entered into by and between the Southern California Regional Rail Authority (hereinafter called "Authority") and Padilla & Associates, Inc. (hereinafter called "Contractor").

RECITALS**WHEREAS:**

- I. Authority and Contractor have entered into an agreement for DBE and Labor Compliance monitoring services.
- II. Effective June 12, 2015, the Authority amended the contract under Amendment No. 1 to revise Article 2, Period of Performance to exercise the first one-year option and extend the Period of Performance to June 30, 2016, and revise Article 3, Payment to increase the contract authorization by \$400,000 for a new not-to-exceed contract amount of \$500,000, as approved by the Authority's Board.
- III. The Authority hereby amends the contract under Amendment No. 2 to revise Article 3, Payment to increase the contract authorization by \$100,000 for a new not-to-exceed contract amount of \$600,000, as approved by the Authority's Board on April 8, 2016.

NOW, THEREFORE, Authority and Contractor hereby amend their Contract as follows:

I. Amend Article 3, PAYMENT, Paragraph A, as follows:

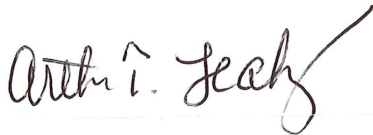
A. For Consultant's full and complete performance of its obligations under this Agreement. Authority's maximum cumulative payment obligation under this Agreement shall not exceed Six Hundred Thousand Dollars (\$600,000) including all amounts payable to Consultant for all costs, including but not limited to leases, materials, taxes, insurance, and profit.

II. As hereby amended, the Contract remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Contract Amendment to be executed as of the day and year first therein above written.

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY PADILLA & ASSOCIATES, INC.

By:



Arthur T. Leahy
Chief Executive Officer

By:



Patricia K. Padilla
President

APPROVED AS TO FORM:



DON DEL RIO
GENERAL COUNSEL



SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

TRANSMITTAL DATE: April 1, 2016

MEETING DATE: April 8, 2016 **ITEM 6**

TO: Board of Directors

FROM: Arthur T. Leahy *ATL*

SUBJECT: Contract No. QM152-15 Disadvantaged Business Enterprise and Labor Compliance Monitoring Services – Increase in Contract Funding Authorization – Padilla and Associates, Inc.

Issue

Continued administration of the Authority's Disadvantaged Business Enterprise (DBE) and labor compliance programs is required as a condition to receive funding from the Federal Transportation Administration (FTA).

Recommendation

It is recommended that the Board authorize the Chief Executive Officer to amend Contract No. QM152-15 for DBE and Labor Compliance monitoring services with Padilla and Associates, Inc. (Padilla) to increase the contract funding authorization by \$100,000 for a new not-to-exceed contract funding authorization amount of \$600,000 to continue DBE and Labor Compliance monitoring through June 30, 2016.

Strategic Goal Alignment

This procurement aligns with the strategic goal to improve organizational efficiency.

Alternatives

The Board may modify the amount of contract funding authorization requested.

Background

Pursuant to 49 CFR §26.47 and as a condition of continued receipt of Department of Transportation (DOT) financial assistance, the Authority is required to administer its DBE Program in good faith. This includes creating opportunities for DBEs and incorporating race-conscious DBE program elements when under-utilization of DBEs is evident and when the overall DBE goal cannot be met with race-neutral measures alone

At the April 2014 meeting the Board approved the re-instatement of the race-conscious DBE program elements, including DBE contract goals on the Authority's FTA-assisted contracts. As a condition of bid/proposal responsiveness, prime bidders/proposers are required to demonstrate their intent to meet the established DBE contract goals by listing sufficient DBEs on the Authority's DBE participation listing or submit an adequate good faith effort.

Procurement Approach

Contract No. QM152-15 was awarded in April 2015 to Padilla in an amount of \$100,000 for FY2014-15 in accordance with the Authority's Contracts and Procurement Policies and Procedures CON-20, Cooperative Procurement under the Chief Executive Officer's signature as a piggyback under competitively procured and awarded contracts for these services with the Orange County Transportation Authority (OCTA). The Board approved an increase of \$400,000 at the June 8, 2015 Board meeting to support monitoring services through FY2015-16.

Under this contract, Padilla provides:

- Assistance to the Authority to ensure compliance with the DBE Program by preparing the Authority's overall triennial DBE participation goal for review and approval by the Board;
- Preparation and submission of semi-annual and quarterly Federally required Uniform reports;
- Development of DBE participation goals on a per project basis;
- Review of offerors compliance with goals or if goals are not met an evaluation of good faith compliance efforts;
- Review of monthly commitment and attainment reports on projects with DBE participation;
- Review of prompt payment and retention application on projects with DBE participation;
- On-site commercially useful function monitoring;
- Development and participation in outreach strategies to conform with the race conscious requirements of 49 CFR Part 26;
- Meetings with individual contractors who have failed to meet DBE commitments agreed to in contracts; and
- Training for the Authority's staff.

Currently, 96 contracts and subcontracts are subject to DBE requirements.

The Authority's overall DBE goal for FFYs 2016-18 (October 1, 2015 and ending September 30, 2018) has been calculated at 10%. As of this date, the Authority has 10.55% commitment and 8.40% attainment, which is in line with our current overall goal.

Padilla also provides labor monitoring to 20 active contracts to ensure that the Authority's capital projects comply with both federal and state requirements. In July 2014, the

Department of Industrial Relations implemented new requirements for labor compliance and Padilla provided assistance to the Authority in revising the Labor Compliance Program to incorporate these new requirements and continued monitoring of all capital and maintenance contracts that require labor compliance.

An increase in contract funding authorization is needed at this time to support additional requirements beyond the regular DBE and Labor Compliance requirements, such as assessments and reporting to the Board relative to the DBE/SBE Program, support for PTC related Labor compliance requirements, preparation for the FTA Triennial audit and the Labor Compliance Program Annual Report (AR-1).

Disadvantaged Business Enterprise (DBE) / Small Business Enterprise (SBE) Requirements

This contract is not federally funded and is not subject to DBE Participation, however, Padilla is a DBE firm.

Padilla has previously provided satisfactory services for the Authority and currently has several contracts with various public agencies for similar services.

Therefore, staff is requesting that the Board authorize the Chief Executive Officer to amend Contract No. QM152-15, increasing the funding authorization in the amount of \$100,000 for continued DBE administration and labor compliance consulting services.

Budget Impact

Funding for this project is included in the FY2015-16 Operating and Capital budgets. Funding for ongoing monitoring activities will be requested in subsequent year's budgets.

Prepared by: Lia McNeil-Kakaris, Assistant Director, Contracts and Procurement



Elissa K. Konove
Deputy Chief Executive Officer

TRANSMITTAL FORM FOR APPROVAL

Contract Administrator/Initiator: Lia McNeil-Kakaris
Telephone Extension: 237

Signature:

Agreement Number:
 QM152-15

Amendment Number:
 2

Date:
 April 12, 2016

Agreement Name:
 DBE and Labor Compliance Monitoring Services

Description:
 Amendment No. 2 to increase contract authority for FY15/16 as approved by the Board 4/8/16

☐ **Contract Amount–** \$600,000.00

Vendor: Padilla and Associates, Inc.

Approval Needed By: June 30, 2016

Was Board Approval Required? ☒ Yes ☐ No

If Yes, Date Approved by Board:
☒ Item attached

☐ **Approval by Purchasing Agent**

Seq #	Action Legend	Position	Name	Approval Initials	Date Approved
1	P	Contract Administrator/Initiator			
2	A/S	Review by CA&P/Purchasing Agent			
3	A/S	Deputy Chief Executive Officer			
4	A/S	General Counsel			
5	A/S	CA Sends to Vendor for Signature		Sent:	Rcvd:
6	A/S	Purchasing Agent			

☒ **Approval by Chief Executive Officer**

Seq #	Action Legend	Position	Name	Approval Initials	Date Approved
1	P	Contract Administrator/Initiator			
2	A/S	Review by CA&P/Purchasing Agent	Lia McNeil-Kakaris		4/20/16
3	A/S	Deputy Chief Executive Officer	Elessa Knore		6/21/16
4	A/S	General Counsel	Don O. Del Rio		6/21/16
5	A/S	CA Sends to Vendor for Signature		Sent:	Rcvd:
6	A/S	Chief Executive Officer	Arthur T. Leahy		6-22-16

ACTION LEGEND:

A = Approval P = Prepare S = Sign

PLEASE PROCESS ACCORDING TO SEQUENCE # AND RETURN TO:

Contracts Department Assistant
 Southern California Regional Rail Authority
 One Gateway Plaza, 12th Floor
 Los Angeles, CA 90012

Contracts & Amendments Distribution

Executed Original Copy:

To Vendor:

To File

PDF Copy:

To Contracts Drive

Update Contract Circulation Spreadsheet

June 28, 2016

Padilla & Associates, Inc.
211 E. City Place Drive
Santa Ana, CA 92705

Attn: Patricia Padilla

Subject: Contract No. QM152-15
Disadvantaged Business Enterprise and Labor Compliance
Amendment No. 2

Dear Ms. Padilla:

Enclosed is an executed original of Amendment No. 2 to Contract No. QM152-15, Disadvantaged Business Enterprise and Labor Compliance Monitoring Services, for your files.

If you have any questions, please contact the undersigned at 213.452.0237.

Best regards,


Lia McNeil-Kakaris
Assistant Director, Contracts & Procurement

Enclosures

