



January 23, 2019

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Second Quarter Fiscal Year 2018-19 Procurement Status Report

Overview

The second quarter procurement status report summarizes the procurement activities for information purposes to the Orange County Transportation Authority Board of Directors. This report focuses on procurement activity from October 1 through December 31, 2018, that was approved by the Board of Directors during this period. The second quarter procurement status report also projects future procurement activity for the third quarter as identified in the fiscal year 2018-19 budget.

Recommendation

Receive and file as an information item.

Background

The Board of Directors (Board) approved the Orange County Transportation Authority Fiscal Year (FY) 2018-19 Budget, which identifies the goods and services that will be purchased during the FY. A quarterly procurement report has been prepared detailing the procurement activity for line items that were approved by the Board during the second quarter of FY 2018-19. The report also provides a “look-ahead” of upcoming procurement activity by Board committee. The quarterly procurement report identifies contractual activity, not dollars spent.

Discussion

During the second quarter of FY 2018-19, the Contracts Administration and Materials Management Department handled 428 different contractual documents. Of the total, 298 procurements, valued at \$416,283,934, were

completed; the remaining procurements will be executed during the third quarter of FY 2018-19.

In the second quarter, the Board took action on 51 procurements. The procurements were split between three new agreements valued at \$2,430,000, four amendments valued at \$41,684,233, four construction change orders valued at \$9,838,210, ten cooperative agreements valued at \$144,526,566, 15 amendments to cooperative agreements valued at \$5,140,599, three purchase orders valued at \$2,886,686, four sole source agreements valued at \$199,006, and eight option terms valued at \$191,757,687. Not all procurements are completed within the quarter in which they begin. Often, the procurements require cost and price reviews and negotiations which can lengthen the procurement process. Procurements not completed within the second quarter will be completed in the third quarter of FY 2018-19. Attachment A shows a list of Board-approved procurements during the second quarter.

Looking forward to the third quarter of FY 2018-19 (January through March 2019), the Board committees will be asked to take action on several items such as:

- Consultant selection for construction management services for the Anaheim Canyon Metrolink Station;
- Consultant selection to provide independent annual financial auditing services;
- Consultant selection for traffic engineering and intelligent transportation services for two signal synchronization projects; and
- Cooperative agreement with the Los Angeles County Service Authority for Freeway Emergencies for the operation and management of a regional 511 system.

The estimated value of these upcoming procurements is \$34,024,441. Attachments B through E identify procurement activity anticipated in the third quarter of FY 2018-19 by the committee that will review the items.

Summary

This report provides an update of the procurement activity for the second quarter of FY 2018-19, October through December 2018, as well as a look-ahead at anticipated procurement activity for the third quarter of FY 2018-19. Staff recommends that this report be received and filed as an information item.

Attachments

- A. Board-Approved Contracts – Second Quarter FY 2018-2019
- B. Regional Planning and Highways Committee – Third Quarter Outlook
(January 1, 2019 – March 31, 2019)
- C. Transit Committee – Third Quarter Outlook
(January 1, 2019 – March 31, 2019)
- D. Finance and Administration Committee - Third Quarter Outlook
(January 1, 2019 – March 31, 2019)
- E. Legislative and Communications Committee - Third Quarter Outlook
(January 1, 2019 – March 31, 2019)

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