

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2006-57

Contract Amendment for Performance Measurement Consulting Services

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	7/20/06	Discussion/Possible Action	Phil O'Dell, Director, Project Delivery Support Services Hamid Qaasim, Agency QA Manager	(206) 398-5013 (206) 398-5129

Contract/Agreement Type:	<input checked="" type="checkbox"/>	Requested Action:	<input checked="" type="checkbox"/>
Competitive Procurement	<input checked="" type="checkbox"/>	Execute New Contract/Agreement	<input type="checkbox"/>
Sole Source	<input type="checkbox"/>	Amend Existing Contract/Agreement	<input checked="" type="checkbox"/>
Agreement with Other Jurisdiction(s)	<input type="checkbox"/>	Budget Amendment	<input type="checkbox"/>
Real Estate	<input type="checkbox"/>	Property Acquisition	<input type="checkbox"/>

PROJECT NAME

Performance Measurement System

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with Rene` Ewing & Associates, LLC to provide additional performance measurement consulting services in the amount of \$50,000, for a new authorized contract amount not to exceed \$343,295.

KEY FEATURES of PROPOSED ACTION

- The purpose of this action is to seek Finance Committee authorization to amend the contract for agency performance measurement consulting services.
- The scope of work will include the following:
 - Facilitate the transition to the new performance management system;
 - Facilitate the implementation of the new Sound Transit Agency Review (STAR) meetings for reporting on performance management;
 - Work with executives to develop strategy, scope, and agenda;
 - Provide background, resource identification, and implementation strategies to infuse into organizational systems;
 - Conduct a Values and Goals workshop with the executives and directors;
 - Provide coaching and technical assistance on measurement of performance initiatives;
 - Evaluate scorecards developed by Sound Transit departments and divisions against transit industry practice for effectiveness, economy, and efficiency of reported metrics;
 - Prepare report and brief Sound Transit executives and directors on how well these metrics and targets relate to transit agency operations;
 - Prepare a benchmarking report to succinctly identify performance management strategies of Sound Transit and other transit agencies

BUDGET IMPACT SUMMARY

Original contract scope is almost complete and this amendment is awaiting Finance Committee approval. The existing contract has been extended to December 31, 2006 to allow for completion and evaluation of all tasks.

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan.

BUDGET AND FINANCIAL PLAN DISCUSSION

The Executive Department has an available contingency budget of \$115,000, which can be used for this purpose. The proposed action is consistent with the current Board-adopted budget and is affordable within Sound Transit’s current long-term financial plan and the subarea financial capacity.

BUDGET TABLE

Summary for Board Action

Action Item: Performance Measures Consulting

	(A)	(B)	(C)	(D)
Contract Budget	Current Approved Contract Value	Spent to Date	Proposed Action	Proposed Total Contract Value
Rene Ewing & Associates	293,295	253,843	50,000	343,295
Contingency	0	-	-	-
Total	293,295	253,843	50,000	343,295
Percent Contingency				

Various Operating Budgets	2006 Board Adopted Staff Budget	Future Staff Budgets	This Action for 2006	2006 Surplus (Shortfall)
Consulting Services	1,259,500		50,000	-
Total Account	1,259,500	-	50,000	-

Budget Shortfall		Potential Revenues		Funding Source
Level	\$			
NA	-	-		NA

Notes

Department budget shown on page 184 of Adopted 2006 budget book

M/W/DBE – SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

René Ewing & Associates, LLC is a Women Business Enterprise (WBE). 100% of the work on this contract will be performed by small business firms, of which one is also a DBE, and one is minority owned.

Utilization Breakdown Table

Prime Consultant	Business Type	% of Work	Dollar Value
Rene Ewing & Associates	WBE	34%	\$118,000
Subconsultant	Business Type	% of Work	Dollar Value
P.H. Adams & Associates	Small Business	27%	\$91,225
C.M. Colvin & Associates	WBE/DBE	20%	\$69,350
R. Zimmerman & Associates	Small Business	19%	\$64,680
Total		100%	\$343,295

EEO Commitment

The workforce demographics of the consultant team are 50% women and 25% minorities.

Apprentice Utilization Commitment

Not applicable.

PROJECT DESCRIPTION and/or BACKGROUND for PROPOSED ACTION

In July 2005, the Board authorized staff to execute a contract with Rene` Ewing and Associates, LLC to provide performance measurement consulting services. The scope of the existing contract includes:

- Benchmarking of transit agency performance measurement best practices;
- A transit agency performance management roundtable of industry best practices;
- Training of key agency management on performance management systems;
- Working with the senior leadership team to facilitate development of performance management systems;
- Working with the department managers to identify useful metrics for performance management reporting;
- Developing appropriate reports and processes for performance measurement

The scope of work also requires high-level management consulting with Sound Transit’s senior leadership team, as well as participating in and leading any discussions. It also requires the consultant to coordinate with the agency project manager and performance measurement steering committee, and conduct meetings and workshops with the directors.

Work on the existing contract is nearly complete; staff requests a contract amendment to provide additional work to the scope in order to carry out this project.

Prior Board/Committee Actions on this Project and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
M2005-76	Authorized the Chief Executive Officer to execute a contract with Rene` Ewing & Associates, LLC to provide Performance Measurement Consulting Services for a total authorized contract amount not to exceed \$293,295.	7/7/05

CONSEQUENCES of DELAY

Sound Transit has already initiated its performance management program as a result of the existing consultant contract. It is essential for continuity purposes that the same consultant be available throughout the balance of this year to guide, assist, and participate in the implementation phase of this program for it to be in time for integration into the 2007 budget process. It is essential to start the contract work now so that staff can complete the performance measurement system as the 2007 budget is being planned. A delay could potentially extend full implementation into the 2008 budget year.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

Not applicable to this action.

LEGAL REVIEW

JW 7/12/06

SOUND TRANSIT

MOTION NO. M2006-57

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with Rene` Ewing & Associates, LLC to provide additional performance measurement consulting services in the amount of \$50,000, for a new authorized contract amount not to exceed \$343,295.

Background:

In July 2005, the Board authorized staff to execute a contract with Rene` Ewing and Associates, LLC to provide performance measurement consulting services. The scope of the existing contract includes:

- Benchmarking of transit agency performance measurement best practices;
- A transit agency performance management roundtable of industry best practices;
- Training of key agency management on performance management systems;
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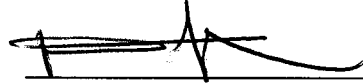
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Motion:

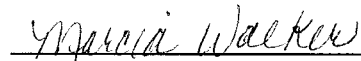
It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with Rene` Ewing & Associates, LLC to provide additional performance measurement consulting services in the amount of \$50,000, for a new authorized contract amount not to exceed \$343,295.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 20, 2006.



Fred Butler
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator