

MOTION NO. M2010-80
Increase Contract Authority for Grants Management Services

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:	PHONE:
Operations and Administration Committee	08/19/10	Final Action	Brian McCartan, Executive Director - Finance & Information Technology Lisa Wolterink, Grants Manager	206-398-5100 206-689-3359

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with Spectrum Design to provide grants management services in the amount of \$200,000 for a new total authorized contract amount not to exceed \$365,000.

KEY FEATURES

- This action allows Sound Transit to develop competitive grant applications to help meet grant assumptions included in the Sound Transit financial plan.
- Sound Transit has utilized grant consulting services faster than originally planned due to the availability of additional grant funding sources, including the American Recovery & Reinvestment Act (ARRA) legislation. The ARRA Act, also known as the Economic Stimulus, was passed by Congress and signed by President Obama to respond to the national economic crisis. The ARRA Act provided new, competitive grant sources for transit and high speed rail projects, among other goals.
- The scope of work for this contract consists of performing specialized grant development and administration duties, including assisting in the writing of competitive grant applications, and providing assistance and professional support to management staff in a range of grant strategy, analysis and reporting activities.
- The original contract with Spectrum Design was executed under the CEO's authority. The contract became effective on January 29, 2009 with a not to exceed amount of \$165,000. The contract has an initial term of three years and expires on August 31, 2011. Sound Transit has the option to extend the contract for two additional one-year periods. The amount requested is expected to cover both additional one-year options.

PROJECT DESCRIPTION

Along with the Sound Move grant assumptions, the ST2 Plan assumes an additional \$895 million in grants to build out the system, supplementing local resources. These grants include Federal Transit Administration formula grants, full funding grant agreements and various competitive grant programs. The additional expertise included in this contract will assist Sound Transit in developing grant proposals to meet and potentially exceed the current grant assumptions in the financial plan. Receipt of additional grants can help mitigate the impact of the recession on the Sound Transit financial plan.

FISCAL INFORMATION

Summary for Board Action (X \$1,000)

Action Item: Increase Contract Authority for Grants Management Services

Current Year Grants Division Budget	Adopted 2010 Budget (1)	Spent to date in 2010	2010 Remaining Budget
Grant Division Consulting Budget	75,000	58,080	16,920
FIT Consulting	986,500	655,722	330,778
Other Consultant/Management services	748,000	416,983	331,017
Total	1,809,500	1,130,785	678,715

Contract Spending Plan	Prior Year(s) Spending	2010 YTD Spending	Remaining 2010 Expenditures	Future Year Expenditures	Total
Spectrum Design	99,951	58,080	16,920	190,049	365,000
Total	99,951	58,080	16,920	190,049	365,000

Contract Budget	Current Approved Contract Value	Spent to Date	Proposed Action	Proposed Total Contract Value
Spectrum Design	165,000	158,031	200,000	365,000
Contingency	-	-	-	-
Total Contract	165,000	158,031	200,000	365,000
Percent Contingency	0%	0%	0%	0%

Notes:

1. Budget for this item is included in the 2010 Adopted Budget book within the Agency Administration Staff Operating budget section and found on page 68 of 2010 Adopted Budget book.

SMALL BUSINESS PARTICIPATION

While there is no Small Business participation goal for this contract, Spectrum Design is a certified DBE firm that will perform 100% of the anticipated work.

EQUAL EMPLOYMENT WORKFORCE PROFILE

Spectrum Design is a one-person, woman owned firm with no additional staff.

BACKGROUND

In July 2008, Sound Transit issued a Request for Proposal (RFP) for financial advisory contracts. The RFP included strategic grant advisory services. Since January 2009, Sound Transit has contracted with Spectrum Design to provide on-call specialized services in grant development and grants management. This approach has proved effective at providing expert consultant services in support of the agency’s competitive grant applications. Since the ARRA legislation passed in March of 2009, Sound Transit was able to develop grant applications quickly and successfully compete for several new funding competitions. Among other grants, Sound Transit secured over \$23 million in additional ARRA funding in 2009. Due to the additional grant applications and grant requirements, Sound Transit has utilized contract authority faster than originally planned.

The contractor will serve as a technical consultant to Sound Transit management and staff on grant administrative and grant development issues. Duties include researching potential new grant funding sources, assisting with the technical writing of grant proposals and assisting in meeting the reporting requirements of grantor agencies.

The performance of Spectrum Design has been outstanding. Along with assisting on the additional \$23 million of ARRA funding, Spectrum Design was instrumental in securing over \$5 million in grants to buy ST Express buses. Sound Transit would not be able to submit these additional grant requests without this technical assistance.

Analysis of Contracting Out vs. Performing In-House

The specialized grant writing and grant management services included in this contract are mainly needed only during competitive grant cycles (i.e. when grant proposals are due). Therefore, this work is not recommended to be performed by adding another Sound Transit employee. When there are fewer grant competitions available, the additional grant writing expertise is not needed.

With the ARRA legislation in 2009 and various new grant programs implemented in 2010, such as the USDOT's TIGER program, FTA's TIGGER and Bus Livability grant programs and FRA's High Speed Rail grant programs, Sound Transit has had many grant applications due at virtually the same time. It is unclear as to whether or not these national competitive grant programs will continue into the future. Due to the nature of this grants work, it is recommended that we have specialized grant services available through a consultant and not a regular full time employee.

ENVIRONMENTAL COMPLIANCE

Jl 8/12/10

PRIOR BOARD/COMMITTEE ACTIONS

None.

TIME CONSTRAINTS

A one month delay would not create a significant impact.

LEGAL REVIEW

JW 8/13/10

MOTION NO. M2010-80

A motion of the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with Spectrum Design to provide grants management services in the amount of \$200,000 for a new total authorized contract amount not to exceed \$365,000.

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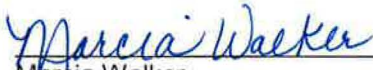
It is hereby moved by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with Spectrum Design to provide grants management services in the amount of \$200,000 for a new total authorized contract amount not to exceed \$365,000.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 19, 2010.



Dave Enslow
Operations and Administration Committee Chair

ATTEST:



Marcia Walker
Board Administrator