

MOTION NO. M2017-22

On-Call Contract with Porter & Associates, Inc. for Financial Consulting Services

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	03/02/2017	Final Action	Brian McCartan, Executive Director FIT Stephanie Ball, Financial Planner

PROPOSED ACTION

Authorizes the chief executive officer to execute a two-year on-call contract with three one-year options with Porter & Associates, Inc. to provide financial consulting services in the amount of \$330,205, with a 10% contingency of \$33,021, for a total authorized contract amount not to exceed \$363,226, contingent upon resolution of any protest received.

KEY FEATURES SUMMARY

- This action executes a contract with Porter & Associates, Inc. to provide financial consulting services for use in financial planning, budgeting, and as needed to provide effective financial planning and analysis. Porter & Associates, Inc. will provide some or all of the following services:
 - Financial planning and modeling services to assist in maintenance of Sound Transit’s 25-year financial plan.
 - Financial planning and modeling services to assist Sound Transit in developing total cost of ownership estimating tools and processes.
- Under this contract, ad-hoc modeling services may be provided on an on-call basis related to the above items, including:
 - Developing, enhancing, or updating complex financial or business-process model.
 - Transportation planning and financial analysis.
 - Financial analysis and strategic planning services.
 - Developing, enhancing, or updating complex total cost of ownership models.
 - Transportation total cost of ownership.
- All ad-hoc tasks will be performed based on written task orders authorized by Sound Transit.
- Porter & Associates, Inc. is one of three firms selected through a Request for Proposal (RFP) process for financial consulting services. Two additional contract requests are being brought to the committee for consideration: Economic Consultants Oregon, LTD dba ECONorthwest (Motion No. M2017-23) and Parsons Brinkerhoff, Inc. (Motion No. M2017-24).

BACKGROUND

Since 1997, Sound Transit has used consultants for transit and financial planning, and this approach has proved very effective at providing the agency focused, expert consultant services in key areas. Consultants currently provide inflation forecasts, tax base annual growth forecasts, and assistance with financial planning and modeling.

Sound Transit issued a Request for Proposal (RFP NO. RTA/RP 0210-16) for Financial Consulting Services to provide on-call consultant services for financial planning, budgeting, forecasting, and ad-hoc modeling. Included in these services are inflation forecasting; tax base annual growth forecasting to project local tax collections; financial planning and modeling services to assist in maintenance of Sound Transit’s 25-year financial plan; and developing the total cost of ownership estimating tools and process.

Sound Transit received and evaluated six proposals. Porter & Associates, Inc. and two other firms (ECONorthwest and Parsons Brinkerhoff, Inc.) best met the evaluation criteria, offered the best value, and are in the best interest to Sound Transit.

FISCAL INFORMATION

The proposed action will be funded from the services category within the Finance and Information Technology department’s annual operating budget. The 2017 services category budget is \$17,281,428. The estimated current-year spending for this contract is \$70,785, which is within the agency’s 2017 budget authority. After approval of this action, the remaining annual budget will be used to fund other department expenditures anticipated in the 2017 annual budget.

Funding for the additional years of the contract will be included in future annual budget requests.

Finance and Information Technology
(in thousands)

	2017 Annual Operating Budget	Actuals to Date	This Action	Actuals to Date Plus Action	Remaining Annual Operating Budget
Salaries and Benefits	\$21,394	\$1,021	\$0	\$1,021	\$20,373
Services	17,281	1,020	71	1,091	16,191
Materials and Supplies	1,582	57	0	57	1,524
Utilities	953	21	0	21	931
Insurance	7,482	494	0	494	6,987
Miscellaneous	491	45	0	45	446
Interest Expense	18	1	0	1	17
Leases and Rentals	415	27	0	27	389
Total Annual Operating Budget	\$49,616	\$2,686	\$71	\$2,757	\$46,859

Contract Spending Plan	Prior Year Spending	Forecast 2017 Spending	Future Expenditures	Total
Porter & Associates	\$0	\$71	\$292	\$363

Contract Detail TBD	Board Approved Contract Value	Contract Actuals to Date	Proposed Action	Proposed Board Approved Contract Value
Porter & Associates	\$0	\$0	\$330	\$330
Contingency	0	0	33	33
Contract Amount - Total	\$0	\$0	\$363	\$363
Percent Contingency	0%	0%	10%	10%

Notes: actuals to date as of January 31, 2017

SMALL BUSINESS/ DBE PARTICIPATION

Sound Transit determined that there were few Small Business and DBE subcontracting opportunities based upon the work described in this contract, so Small Business/DBE goals were not established.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one-month delay will have a significant impact as the current financial services contract ends on March 31, 2017. Due to the passage of Sound Transit 3, there is a high need for modeling assistance.

ENVIRONMENTAL REVIEW

JI 2/17/2017

LEGAL REVIEW

JW 2/24/2017

MOTION NO. M2017-22

A motion of the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a two-year on-call contract with three one-year options with Porter & Associates, Inc. to provide financial consulting services in the amount of \$330,205, with a 10% contingency of \$33,021, for a total authorized contract amount not to exceed \$363,226, contingent upon resolution of any protest received.

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Sound Transit received and evaluated six proposals. Porter & Associates, Inc. and three other firms (ECONorthwest, Parsons Brinkerhoff, Inc., and Dick Conway & Associates) best met the evaluation criteria, offered the best value, and are in the best interest to Sound Transit.

Porter & Associates, Inc. will provide some or all of the following services: financial planning and modeling services to assist in maintenance of Sound Transit's 25-year financial plan; and financial planning and modeling services to assist Sound Transit in developing total cost of ownership estimating tools and processes.

Under this contract, ad-hoc modeling services may be provided on an on-call basis related to the above items, including: developing, enhancing, or updating complex financial or business-process model; transportation planning and financial analysis; financial analysis and strategic planning services; developing, enhancing, or updating complex total cost of ownership models; and transportation total cost of ownership.


MOTION:

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 two-year on-call contract with three one-year options with Porter & Associates, Inc. to provide financial consulting services in the amount of \$330,205, with a 10% contingency of \$33,021, for a total authorized contract amount not to exceed \$363,226, contingent upon resolution of any protest received.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 2, 2017.


Paul Roberts
Operations and Administration Committee Chair

ATTEST:


Kathryn Flores
Board Administrator