

STAFF REPORT

**SOUND TRANSIT
MOTION NO. M2001-60**

Authorization to Amend Project Control Support Services Contract with KJM & Associates, Inc.

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	6/7/01	Deferred	Joni Earl, Acting Executive Director	(206) 398-5450
Finance Committee	6/21/01	Discussion/Possible Action to Recommend Board Approval	Tony Morris, Project Control Manager	(206) 689-3340
Board	6/28/01	Action		

PROPOSED ACTION

Authorizes the Executive Director to execute a change order exercising an option to extend the Project Control Support Services Contract with KJM & Associates, Inc., for one year, to amend the scope of the work and to add additional funds. This action exercises the second of three, one-year options to extend this contract. The amount of the amendment is \$2,344,961 with a 10% contingency of \$234,496 for a total authorized amount not to exceed \$2,579,457. The table below summarizes the actions taken on this contract to date and the total not to exceed amount of \$12,228,690, including this action.

Action	Date	Base Contract	Contingency	Total
Original Contract	4/9/98, Resolution No. 98-14	\$5,793,821	\$1,898,764	\$7,692,585
Amendment 1	5/25/00, Motion No. M2000-42	\$1,778,771	\$177,877	\$1,956,648
Amendment 2	6/28/01, Current Motion	\$2,344,961	\$234,496	\$2,579,457
Totals		\$9,917,553	\$2,311,137	\$12,228,690

KEY FEATURES

Highlights of Proposed Action:

- ◆ Revises the scope of the contract to reflect Sound Transit’s management project control support needs for the next year.
- ◆ Provides critical support to the agency-wide project control improvement effort currently underway.
- ◆ Ensures adequate project control support to all Sound Transit departments and assists them with meeting the requirements defined in the Sound Move Program Management Plan.
- ◆ Authorizes the Executive Director to execute a change order with KJM & Associates, Inc. extending their contract and amending the contract to provide agency-wide project control support services in the amount of \$2,344,961, with a 10% contingency of \$234,496, for a total authorized amount not to exceed \$2,579,457.

Discussion of Proposed Action:

On April 9, 1998, the Board approved Resolution No. 98-14 authorizing a contract with KJM & Associates, Inc. for the development, installation, and maintenance of a management reporting and project control system for Sound Move. Additionally, the contract provided for dedicated project control resources for Link Light Rail, Sounder Commuter Rail, and Regional Express bus. The original amount of the contract was \$5,793,821 with an additional amount for contingency of \$1,898,764 resulting in a total authorized amount not to exceed amount of \$7,692,585. The term of the contract was two years with three, one-year options.

On May 25, 2000, the Board authorized (Motion M2000-42) the approval of a contract amendment with KJM & Associates, exercising the first of three one-year contract options, to continue providing project control support services to Sound Transit. The scope of that amendment included the development of agency policies and procedures, assistance with agency reporting, support in implementing the agency's financial/project management systems, document management, MIS support, scheduling, and cost control. Support was provided to Link Light Rail, Sounder Commuter Rail, and Regional Express bus and was coordinated by the agency Project Control Manager. The value of this amendment was \$1,778,771 with a contingency of \$177,877 for a total authorized amount not to exceed amount of \$1,956,648.

In preparing for this action, Sound Transit staff has conducted an assessment to determine the project control needs for each department as well as support necessary for the ongoing agency-wide project control improvement effort. Included within this contract amendment are scope tasks deemed necessary to cover those needs. This action will provide support to Link Light Rail, Sounder Commuter Rail, and Regional Express bus. It also addresses support provided for agency level project control oversight and reporting. Specific areas covered include cost estimating, cost analysis/control, schedule analysis, support of project management systems, reporting, and document control. We have also included flexibility to respond to specific project control needs as they arise within the next year. The agency Project Control Manager will manage this contract.

Staff recommends that this action be taken to assist in improving the agency's project control and project management systems and processes, thus providing more timely and accurate information to Sound Transit management and the Board for decision making.

BUDGET

Funding for this scope of work is included in Sound Move and in the FY2001 Budget. The term of this extension runs through March 31, 2002; therefore, the total amount of this amendment covers costs for 2001 and 2002. The table below depicts the total not to exceed amounts projected for the year 2001 by line of business. The projected amounts for 2002 will be addressed as part of the 2002 budget process.

Line of Business	Projected Expenditures (*)	2002 Projected Expenditures (**)	Total Amount Requested
Link	\$1,053,948	\$455,717	\$1,509,665
Regional Express	\$370,271	\$182,287	\$552,558
Sounder	\$395,710	\$121,524	\$517,234
Totals	\$1,819,929	\$759,528	\$2,579,457

* For work performed from June 1 through December 31, 2001.

** Projected expenditures for 2002. Will be addressed in 2002 budget process.

ALTERNATIVES

The alternative to this action is to hire permanent staff to provide this support. This alternative is not recommended since the tasks are discrete bodies of work well suited for consultants and would limit flexibility in responding to peaks and valleys in the workload. Additionally, the consultants are able to provide the necessary expertise required for particular tasks.

CONSEQUENCES OF DELAY

Delaying approval of this motion will disrupt the work that KJM & Associates, Inc., is currently providing to each department, resulting in delays to tasks such as procedures development, implementation of document control systems, agency reporting, project management system support, project scheduling, and cost control.

REGIONAL PARTNERSHIP AND COOPERATION

Not applicable.

PUBLIC INVOLVEMENT

Not applicable.

LEGAL REVIEW

MBL 5/28/01

SOUND TRANSIT

MOTION NO. M2001-60

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a change order exercising an option to extend the Project Control Support Services Contract with KJM & Associates, Inc., for one year, to amend the scope of the work and to provide additional funds. This action exercises the second of three, one-year options to extend this contract. The amount of the amendment is \$2,344,961 with a 10% contingency of \$234,496 for a total authorized amount not to exceed \$2,579,457. The total approved amount of the contract including the original contract amount and amendments is not to exceed \$12,228,690.

Background:

On April 9, 1998, the Board approved Resolution No. 98-14 authorizing a contract with KJM & Associates, Inc., for the development, installation, and maintenance of a management reporting and project control system for Sound Move. Additionally, the contract provided for dedicated project control resources for Link Light Rail, Sounder Commuter Rail, and Regional Express bus. The original amount of the contract was \$5,793,821 with a contingency of \$1,898,764 resulting in a total authorized amount not to exceed \$7,692,585. The term of the contract was two years with three, one-year options.

On May 25, 2000, the Board approved Motion M2000-42 authorizing contract amendment with KJM & Associates exercising the first of three, one-year contract options to continue providing project control support services to Sound Transit. The scope of that amendment included the development of agency policies and procedures, assistance with agency reporting, support in implementing the agency's financial/project management systems, document management, MIS support, scheduling, and cost control. Support was provided to Link Light Rail, Sounder Commuter Rail, and Regional Express bus and was coordinated by the agency Project Control Manager. The value of this amendment was \$1,778,771 with a contingency of \$177,877 for a total authorized amount not to exceed \$1,956,648.

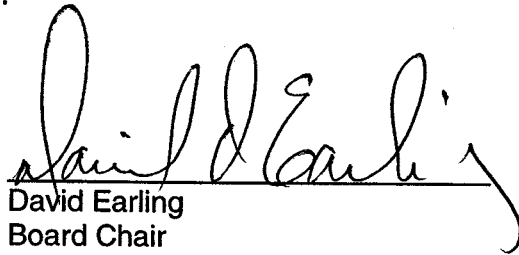
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Staff recommends that this action be taken to assist in improving the agency's project control and project management systems and processes, thus providing more timely and accurate information to Sound Transit management and the Board for decision making.


Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to execute a change order exercising an option to extend the Project Control Support Services Contract with KJM & Associates, Inc. for one year, to amend the scope of the work and to provide additional funds. This action exercises the second of three, one-year options to extend this contract. The amount of the amendment is \$2,344,961 with a 10% contingency of \$234,496 for a total authorized amount not to exceed \$2,579,457. The total approved amount of the contract including the original contract amount and amendments is not to exceed \$12,228,690.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on the 28th day of June, 2001.


David Earling
Board Chair

ATTEST:


Marcia Walker
Board Administrator

Motion No. M2001-60

**Sound Transit Project Control Support
Staff vs. Consultant Support
Finance Committee Meeting - June 21, 2001**

Position	Sound Transit Staff					Consultant Support					Total Project Control Support				
	Agency	Link	REX	Sounder	Total	Agency	Link	REX *	Sounder	Total	Agency	Link	REX	Sounder	Total
Management/Administrative	1.5	2.0			3.5	2.0	1.0			3.0	3.5	3.0	0.0	0.0	6.5
Project Control - General	2.0	9.0	4.0	1.0	16.0	1.7			1.5	3.2	3.7	9.0	4.0	2.5	19.2
Scheduling		1.0	1.0		2.0	0.5	0.5		0.5	1.5	0.5	1.5	1.0	0.5	3.5
Document Control		2.0		1.0	3.0	1.8	0.3	1.0		3.1	1.8	2.3	1.0	1.0	6.1
Estimating					0.0		0.6			0.6	0.0	0.6	0.0	0.0	0.6
Systems Support					0.0	1.6				1.6	1.6	0.0	0.0	0.0	1.6
Diversity/Apprent. Reporting					0.0	1.0				1.0	1.0	0.0	0.0	0.0	1.0
On-Call Support (If Req'd)					0.0	2.0				2.0	2.0	0.0	0.0	0.0	2.0
	3.5	14.0	5.0	2.0	24.5	10.6	2.4	1.0	2.0	16.0	14.1	16.4	6.0	4.0	40.5

* Regional Express document control position is a temporary employee.