

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2002-110

**Amend Contract with KJM & Associates, Inc.
for Project Control Support Services**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	9/19/02	Discussion/Possible Action to Recommend Board Approval	Vernon Stoner, Deputy Executive Director	(206) 398-5451
Board	9/26/02	Action	Stephen Jacobson, Project Control Manager	(206) 398-5440

Contract/Agreement Type:		Requested Action:	
Competitive Procurement	3	Execute New Contract/Agreement	3
Sole Source		Amend Existing Contract/Agreement	3
Memorandum of Agreement		Contingency Funds Required	
Purchase/Sale Agreement		Budget Amendment Required	

4 Applicable to proposed transaction.

OBJECTIVE OF ACTION

- To exercise the last of three options to extend the Management Systems Contract with KJM & Associates, Inc. for six months and to add additional funds to continue this scope of work.

ACTION

- Authorizes the Executive Director to exercise a third and final option to extend the contract with KJM & Associates, Inc. to provide support services for an additional six-month term in the amount of \$1,045,533, with a 10% contingency of \$104,553, for a total authorized amount of \$1,150,086, and a new total authorized contract amount not to exceed \$13,378,776.

KEY FEATURES

- Revises the scope of the contract to reflect Sound Transit's management systems support needs for the next six months.
- Ensures adequate management systems support to all Sound Transit departments to assist in meeting the requirements defined in the Sound Move Program Management Plan.
- Exercises a third and final option to extend the contract with KJM & Associates, Inc. to provide support services for an additional six-month term.

BUDGET IMPACT SUMMARY

Project Description: Management Systems Contract

Current Status: Current contract expires 9/30/02

Projected Completion Date: 3/31/03

Action Outside of Adopted Budget:	Y/N	Y	Requires Comment
This Line of Business	N		
This Project	N		
This Phase	N		
This Task	N		
Budget amendment required	N		
Key Financial Indicators:	Y/N	Y	Requires Comment
Contingency funds required	N		
Subarea impacts	N		
Funding required from other parties other than what is already assumed in financial plan	N		

N = Action is assumed in current Board-adopted budget. Requires no budget action or adjustment to financial plan

BUDGET DISCUSSION

Funding for this scope of work is included in Sound Move and in the FY2002 Budget. The term of this extension runs through March 31, 2003; therefore, the total amount of this amendment covers costs for 2002 and 2003. The table below depicts the total not to exceed amounts projected for the year 2002 by line of business. The projected amounts for 2003 will be addressed as part of the 2003 budget process.

Line of Business	2002 Projected Expenditures (*)	2003 Projected Expenditures (**)	Total Amount Requested
Link	\$263,12	\$336,263	\$599,375
Regional Express	\$185,071	\$137,111	\$322,182
Sounder	\$124,088	\$104,441	\$228,529
Totals	\$572,271	\$577,815	\$1,150,086

* For projected work from October 1,2002, through December 31, 2002.

** Projected expenditures for 2003. Expenditures for 2003 will be addressed in the 2003 budget process.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

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.

SUMMARY FOR BOARD ACTION

Summary for Board Action (Year of Expenditure \$000)

Action Item: Contract amendment with KJM for management systems support services

	(A) Current Approved Contract Value	(B) Spent to Date	(C) Proposed Action	(D) Proposed Total Contract Value
Contract Budget				
KJM & Associates	9,917,553	9,917,553	1,045,533	10,963,086
Contingency	2,311,137	1,686,236	104,553	2,415,690
Total	12,228,690	11,603,789	1,150,086	13,378,776
Percent Contingency	23%	17%	10%	22%

Direct Charge Budget	2002 Capital Budget	Spent to Date in 2002	This Action for 2002	2002 Suplus (Shortfall)
Link	4,636,497	693,709	146,173	3,796,614
Regional Express	5,037,000	403,442	225,999	4,407,559
Sounder	5,611,550	322,832	200,099	5,088,619
Total Direct Charge Budgets	15,285,047	1,419,984	572,271	13,292,793

Direct Charge Budget	2003 Capital Budget	Spent to Date in 2003	This Action for 2003	2003 Suplus (Shortfall)
Link	6,540,604	-	227,359	6,313,245
Regional Express	15,415,000	-	175,228	15,239,772
Sounder	6,213,000	-	175,228	6,037,772
Total Direct Charge Budgets	28,168,604	-	577,815	27,590,789

Direct Charge Budget	Adopted Lifetime Capital Budget for Item	Lifetime Spending	This Action	Suplus (Shortfall)
Link	76,285,685	7,930,573	373,532	67,981,579
Regional Express	40,302,000	2,150,937	401,227	37,749,836
Sounder	48,760,220	1,522,278	375,327	46,862,615
Total Direct Charge Budgets	165,347,905	11,603,789	1,150,086	152,594,031

Budget Shortfall

Level	\$	Revenues	Funding Source
NA	-	-	NA

M/W/DBE – SMALL BUSINESS PARTICIPATION

M/W/DBE firms will perform 100% of the work on this contract amendment. KJM is a WBE certified by the State of Washington. They will perform 81.5% of this contract amendment. All of their subcontractors are also M/W/DBE firms performing the remaining 18.5% of the work on this contract amendment. These levels are consistent with the overall performance of KJM and its subcontractors on this contract.

HISTORY OF PROJECT

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 No. M2000-42 authorizing a contract amendment with KJM & Associates, Inc. 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.

On June 28, 2001, the Board approved Motion No. M2001-60 authorizing a contract amendment with KJM & Associates, Inc. exercising the second of three, one-year contract options to continue providing project control support services to Sound Transit. The scope of that amendment included the development and revisions of agency policies and procedures, assistance with agency reporting, support in implementing the agency's project control system, document management, MIS support, scheduling, and cost and project control support. Support was provided to Link Light Rail, Sounder Commuter Rail, Regional Express bus, supporting departments and divisions. This effort was coordinated by the agency Project Control Manager. The value of this amendment was \$2,344,961 with a contingency of \$234,496 for a total authorized amount not to exceed \$2,579,457.

In preparing for this action, Sound Transit staff has conducted an assessment to determine the management systems support needs for each department. 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, Regional Express and agency-wide project control. Specific areas covered include project control support and reporting, diversity reporting, document management, MIS and computer support and contract administration support. Included is the flexibility to respond to specific project control needs as they arise within the next six months. The Agency Project Control Manager will manage this contract.

**Prior Board or Committee Actions
and Relevant Board Policies**

Motion or Resolution Number	Summary of Action	Date of Action
M2001-60	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.	6/28/01
M2000-42	Exercise the option to extend the Management Systems Contract with KJM & Associates, Inc. for management systems and project control support for one-year, to add additional funds and to amend the scope of work	5/25/00
Resolution No. 98-14	Executing a contract with the firm of KJM, Inc. to provide management systems and project controls support for the RTA	4/9/98

CONSEQUENCES OF DELAY

Delaying approval of this motion would disrupt current management systems support activity provided to Sound Transit. The specific activities include: agency program reporting, continued procedural documentation, project management system support, project scheduling, and cost control. Disruption and/or discontinuing these specific activities could have adverse effects on active capital projects and/or Sound Transit initiatives.

REGIONAL PARTNERSHIP AND COOPERATION

Not Applicable

PUBLIC INVOLVEMENT

Not Applicable

LEGAL REVIEW

JDW 9/6/02

SOUND TRANSIT

MOTION NO. M2002-110

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to exercise a third and final option to extend the contract with KJM & Associates, Inc. to provide support services for an additional six month term and in the amount of \$1,045,533, with a 10% contingency of \$104,553, for a total amount of \$1,150,086, and a new total authorized contract amount not to exceed \$13,378,776.

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.

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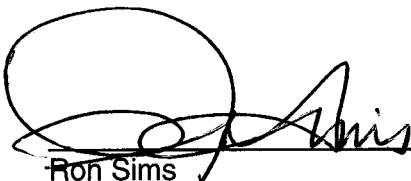
On June 28, 2001, the Board approved Motion No. M2001-60 authorizing a contract amendment with KJM & Associates, Inc. exercising the second of three, one-year contract options to continue providing project control support services to Sound Transit. The scope of that amendment included the development and revisions of agency policies and procedures, assistance with agency reporting, support in implementing the agency's project control system, document management, MIS support, scheduling, and cost and project control support. Support was provided to Link Light Rail, Sounder Commuter Rail, Regional Express bus, supporting departments and divisions. This effort was coordinated by the agency Project Control Manager. The value of this amendment was \$2,344,961 with a contingency of \$234,496 for a total authorized amount not to exceed \$2,579,457.

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Motion:


It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to exercise a third and final option to extend the contract with KJM & Associates, Inc. to provide support services for an additional six-month term in the amount of \$1,045,533, with a 10% contingency of \$104,553, for a new total authorized contract amount not to exceed \$13,378,776.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 26, 2002.



Ron Sims
Board Chair

ATTEST:



Marcia Walker
Board Administrator