



## Motion No. M2026-03

### Contract Modification with KPMG, LLP, for Agency Oversight and Controls Office – On-Call Consulting Services

Meeting:	Date:	Type of action:
Rider Experience and Operations	01/15/2026	Final Action

Staff name:	Staff title:
Moises Gutierrez	Agency Oversight Deputy CEO
Laurel Klein	Agency Controls Executive Director

### Proposed action

Authorizes the chief executive officer to execute a contract modification to the Agency Oversight and Controls Office – On-Call Consulting Services contract with KPMG, LLP, for implementing a management and controls framework that will support agency project and program delivery and other strategic system expansion and service delivery projects, in the amount of \$5,000,000, for a new total authorized contract amount not to exceed \$15,000,000.

### Key features summary

- This action authorizes an increase of the not-to-exceed amount of the contract to align with anticipated additional demand beyond current contract capacity. The funding will support the agency’s strategic priorities to mature the agency’s systems, processes, and oversight responsibilities, including future task order support for asset management oversight and expanded quality initiatives. At present, commitments on the contract already account for 68.4% (\$6,840,868.20) of total capacity within the CEO’s delegated authority.
- Tasks currently supported by this on-call contract include:
  - Enterprise-level risk and quality management
  - Procurement Assessment
  - Reporting support, including the Board Annual Program Review (BAPR)
  - Enhancements to FTA regulated project processes
  - Implementation support of the Project Management Information System (PMIS)
  - Research & analysis of financial impacts
- The initial term of the contract is five years, through December 19, 2029, with two options to renew for additional one-year periods, through December 19, 2031.
- The amount requested is expected to cover the remainder of the five-year base term. Staff will return to the Committee and/or Board to request additional funding as needed should any of the options to renew be exercised.

- The original contract was executed under the authority of the CEO on November 6, 2024.
- Taxes do not apply to these consulting services, as the Consultant is responsible for managing and directing the Consultant's employees and/or subconsultants that perform work under this Contract.

## **Background**

This on-call contract was procured for focused consultant expertise to cover strategic scopes of work, beyond project delivery support, that are not provided by a traditional A&E on-call contract. The contract supports the delivery of agency-wide strategic initiatives and standardization of agency processes and procedures, primarily led by the Agency Oversight Department. Specifically, the contract leverages consultant expertise to support strategic efforts at the enterprise level. The firm, KPMG, LLP, provides professional services to support task order project-based work relating to (1) the strategic development and implementation of a Program/Portfolio Management Framework, and (2) general on-call consulting services for on-going contract administration and portfolio management support related work. Funding for individual task orders will be provided by the sponsors of the respective scopes of work.

## **Procurement information**

Sound Transit issued a formal competitive Request for Proposals (RFP) to the general public on April 18, 2024. Sound Transit received thirteen submittals in response to the solicitation. A subcommittee for initial proposal review was established which then determined an initial competitive range of seven proposals to move forward to full evaluation panel review.

The seven proposals advanced to full evaluation panel review were evaluated based on the advertised evaluation criteria including firm experience and history, knowledge and experience of key individuals, capacity and project organization, price, and commitment to and compliance with Equal Employment Opportunity law. Upon completing evaluations of all seven proposals, the evaluation panel established a competitive range, whereby proposals rated as "Good +" or above were shortlisted for further evaluation, which consisted of proposals from three firms. KPMG was identified as the highest ranked firm.

This modification is within the original scope of the contract. KPMG continues to perform in a satisfactory manner and remains obligated to deliver all requirements under the contract. There have been no cardinal changes to the contractual requirements, nor have there been any other changes in the market which would directly affect the cost of the contract or make re-solicitation any more advantageous to Sound Transit. The proposed contract price change is therefore determined to be fair and reasonable, as well as equitable and consistent with prevailing fair market rates, and is justified as a necessary expense to the agency in the continued implementation and delivery of planned goals for the agency.

## **Fiscal information**

The Agency Oversight and Controls On-Call Consulting Services Contract described in this proposed action will be assigned on an as-needed basis. Funding for the on-call services will come from existing Board approved projects and/or department budgets, including, but not limited to, Agency Oversight, for a total authorized amount not to exceed \$15,000,000, including estimated applicable taxes.

This action does not impact the affordability of the agency's Financial Plan. After approval of this action, sufficient budget remains to cover remaining annual expenditures; funding for the additional years of the contract will be included in future annual budget requests.

## **Disadvantaged and small business participation**

Sound Transit promotes and encourages small business participation, which also includes disadvantaged business enterprises (DBEs). Small business and DBE goals are based upon an

examination of subcontracting opportunities contained in the work of this contract and the number of small businesses/DBEs available to perform such subcontracting work.

Sound Transit small business goal: 0%

Small business commitment: 0%

**Current Small Business Attainment: 0%**

Sound Transit DBE goal: 0%

DBE commitment: 15%

**Current DBE Attainment: 0%**

New regulations issued by the U.S. Department of Transportation (US DOT) on October 3, 2025, and new Federal Transit Administration (FTA) guidance, require Sound Transit to stop counting DBE participation toward contract and agency DBE goals effective October 2025 until a DBE recertification process is established by the Washington State Office of Minority & Women's Business Enterprises (OMWBE) and DBEs are certified under the new standards in the US DOT regulations and FTA guidance. Sound Transit will continue to collect subcontractor information.

### **Public involvement**

Not applicable to this action.

### **Time constraints**

A one-month delay of this action will not have a negative impact.

### **Prior Board/Committee actions**

Not applicable to this action.

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**Environmental review** – KH 11/17/25

**Legal review** – DLM 1/8/26



## **Motion No. M2026-03**

A motion of the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract modification to the Agency Oversight and Controls Office – On-Call Consulting Services contract with KPMG, LLP, for implementing a management and controls framework that will support agency project and program delivery and other strategic system expansion and service delivery projects, in the amount of \$5,000,000, for a new total authorized contract amount not to exceed \$15,000,000.

### **Background**

This action authorizes an increase of the not-to-exceed amount of the contract to align with anticipated additional demand beyond current contract capacity. The funding will support the agency's strategic priorities to mature the agency's systems, processes, and oversight responsibilities, including future task order support for asset management oversight and expanded quality initiatives. At present, commitments on the contract already account for 68.4% (\$6,840,868.20) of total capacity within the CEO's delegated authority.

Tasks currently supported by this on-call contract include enterprise-level risk and quality management, procurement assessment, reporting support, including the Board Annual Program Review (BAPR), enhancements to FTA regulated project processes, implementation support of the Project Management Information System (PMIS), and research and analysis of financial impacts.

The initial term of the contract is five years, through December 19, 2029, with two options to renew for additional one-year periods, through December 19, 2031. The amount requested is expected to cover the remainder of the five-year base term. Staff will return to the Committee and/or Board to request additional funding as needed should any of the options to renew be exercised.

The original contract was executed under the authority of the CEO on November 6, 2024.

Taxes do not apply to these consulting services, as the Consultant is responsible for managing and directing the Consultant's employees and/or subconsultants that perform work under this Contract.

This on-call contract was procured for focused consultant expertise to cover strategic scopes of work, beyond project delivery support, that are not provided by a traditional A&E on-call contract. The contract supports the delivery of agency-wide strategic initiatives and standardization of agency processes and procedures, primarily led by the Agency Oversight Department. Specifically, the contract leverages consultant expertise to support strategic efforts at the enterprise level. The firm, KPMG, LLP, provides professional services to support task order project-based work relating to (1) the strategic development and implementation of a Program/Portfolio Management Framework, and (2) general on-call consulting services for on-going contract administration and portfolio management support related work. Funding for individual task orders will be provided by the sponsors of the respective scopes of work.

## Motion

It is hereby moved by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract modification to the Agency Oversight and Controls Office – On-Call Consulting Services contract with KPMG, LLP, for implementing a management and controls framework that will support agency project and program delivery and other strategic system expansion and service delivery projects, in the amount of \$5,000,000, for a new total authorized contract amount not to exceed \$15,000,000.

APPROVED by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 15, 2026.



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Ed Prince  
Rider Experience and Operations Committee Vice Chair

### Attest:



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Katie Flores,  
Board Administrator