

# Award of Contract to Provide Strategic Financial Planning Consulting Services

Finance Committee  
Agenda Item #8

October 24, 2022



# Purpose and Need

- **Caltrain continues to face significant financial challenges**
  - Structural operating deficit
  - COVID-19 impacts on ridership and revenue
  - Changes in traditional funding sources
  
- **Caltrain remains committed to ambitious service vision and post-COVID business strategy**
  - Sustaining a competitive and attractive level of service
  - Maintaining a commitment to equity while building ridership
  - Completing electrification
  - Strengthening the overall capital program

# Scope and Objectives

- **Scope of Services**

- Conduct a financial needs assessment
- Develop comprehensive strategic plan
- Identify detailed funding and implementation plan

- **Key Objectives**

- Build consensus on the current financial status of the agency, strategic goals and priorities, and a range of funding options
- Integrate financial needs assessment into upcoming budget discussions in Spring 2023
- Develop and support the implementation of a Strategic Financial Plan.

# Proposals Received

JPB received six responses to the Request for Proposals issued on August 26, 2022.

- Bell Burnett & Associates
- CohnReznick LLP
- KPMG LLP
- PFM Financial Advisors LLC
- Financial Strategy Plan Consulting Services Limited
- The Boston Consulting Group Inc

# Scoring Criteria

- Company Qualifications, Experience of Project Leader & References (30 points)
- Team Track Record and Experience of Key Personnel (20 points)
- Technical and Management Approach (25 points)
- Demonstrated Understanding of Issues (20 points)
- Reasonableness of Cost (5 points)

# Highest Ranked Proposer

- Staff and legal counsel determined **Bell Burnett & Associates (BB&A)** to be the highest ranked proposer.
- BB&A recently served in an interim CFO capacity for the Metropolitan Transportation Commission.
- BB&A offers decades of demonstrated experience with:
  - Development of multifaceted funding and business strategies
  - Financial alternative analysis and implementation support
  - Multijurisdictional agencies, including Joint Powers Authorities
  - Regional (Bay Area) transit trends and policies

# Budget Impact

- The cost proposal from Bell Burnett & Associates was deemed fair and reasonable, and within a competitive range as compared to the other proposers.
- Funds to support the Strategic Financial Planning contract are included in the JPB's FY2023 adopted operating budget and additional funds to support the contract will be included in next year's budget.

# Staff Recommendation

1. **Award a contract** to Bell Burnett & Associates to provide financial strategy plan consulting services for a **two-year term** and total contract amount of **\$750,000**.
2. **Authorize** the Acting ED or designee to **execute the contract** in full conformity with the terms and conditions of the solicitation documents and negotiated agreement, and in a form approved by legal counsel.
3. **Authorize** the Acting ED or designee to exercise one **optional task** for utility needs planning and execution for an additional amount of **\$75,000** and extend the contract term for up to twelve (12) months, if needed and if deemed to be in the best interest of the JPB.



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