

# Amendment 2 to Contract with Bell Burnett & Associates

Finance Committee  
Agenda Item 5  
September 23, 2024



# Background

- JPB issued an RFP to solicit Financial Strategy Planning Consulting Services in August 2022 and awarded a contract to Bell Burnett & Associates (BB&A) in November 2022
- First Amendment to the Contract reviewed by the Finance Committee on August 28, 2023, and approved by the Board on September 7, 2023
- Contract Details
  - Two-year base term
  - Base contract value of \$750,000 + \$500,000 (Amendment 1)
  - \$75K option for energy procurement support

# Highlights of Ongoing Support Provided

- Fiscal cliff analysis and strategic financial plan, including the development of Caltrain's operating financial model
- Development of energy procurement strategy framework and negotiation support for PG&E agreements
- Calculation of potential CARB Low Carbon Fuel Standard (LCFS) credit and support of LCFS application process
- Analysis of business terms and complex inter-agency agreements for major regional initiatives
- Advising on cost allocation plans and shared services arrangements

# Ongoing & Expanded Support Needs

- Ongoing hiring challenges delayed the recruitments of the key positions Caltrain needed to successfully transition most of the critical financial and business functions BB&A has been providing over the last 2 years in house
- BB&A's full and expanded support is needed for the next 12-months with the operating and financial pressure Caltrain is experiencing
- With the building of Caltrain's internal financial, business development and energy team, significant support level reduction from BB&A in the following year is expected

# Ongoing & Expanded Support Needs

- Caltrain will expand BB&A's service scope to cover the following critical tasks as part of this recommended amendment:
  - Expand its energy related support services to include business and legislative support for strategies in connection with receiving credit for regenerative braking;
  - Provide strategic and implementation support to the JPB's Cost Reduction and Efficiency Improvement Task Force effort;
  - Conduct in-depth financial and business development analyses related to selected non-fare revenue strategies, business initiatives, and legislative support;
  - Provide financial and business development strategy and analysis support for other mutually agreed upon special efforts/projects.

# Staff Recommendation

- Authorize Amendment No. 2 to the BB&A Contract (Agreement 23-J-P-002) as the following:
  - Expand the scope of the services provided
  - Extend the contract period from November 8, 2024, to November 8, 2026
  - Increase the not-to-exceed contract capacity amount by \$1,000,000 from \$1,325,000 to \$2,325,000, with \$750,000 for Year 1 and \$250,000 for Year 2.
- Authorize the Executive Director or designee to exercise the contract amendment with BB&A
- Budget needed for the amendment will be included in the Revised FY2025 and Planned FY2026 Operating Budgets

FOR MORE INFORMATION

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