



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>14 Aug 2019</i> <i>Robert M. Powner</i>		GENERAL MANAGER ACTION REQ'D:		
DATE: 8/9/2019		BOARD INITIATED ITEM: No		
Originator/Prepared by: Angie West Dept: Office of the CIO	General Counsel	Controller/Treasurer	District Secretary	BARC
Signature/Date: <i>[Signature]</i> 8/13/2019	<i>[Signature]</i> 8/14/19 []	<i>[Signature]</i> 8/14/19 []	[]	<i>[Signature]</i> 8/13/19 []

Project Portfolio Management Initiative

PURPOSE:

To obtain Board authorization for the General Manager to award Agreement No. 6M4625 to KPMG, LLP for implementation of a Project Portfolio Management (PPM) system. The Agreement term is for one (1) year, with two (2) one-year Maintenance Options, for a total not-to-exceed amount of \$5,830,601.

DISCUSSION:

With the passage of Measure RR, implementation of the Transbay Corridor Core Capacity Program, and overall focus on infrastructure, the number of capital projects and programs that BART must plan for, track, and delivery will continue to grow. The PPM system will align and improve Districtwide capital project planning, management, and monitoring of both spending and project/program deliver across multiple disciplines by establishing a common singular platform that will improve collaboration among BART employees, contractors, vendors, and other third-party stakeholders.

The PPM system will improve the process for developing BART's Capital Improvement Program (CIP) and provide reporting to project/program managers, and senior and executive management within BART as well as its funding partners. The system will be flexible and scalable to support new technologies, will integrate with existing BART systems, and will be designed to adapt to rapidly changing processes and standards.

On February 12, 2019, BART issued a Request for Proposal (RFP) No. 6M4625 to more than 400 firms, which included small business entities and large system integrators. A Pre-Proposal Meeting was held on February 26, 2019, with ten (10) firms in attendance.

On April 9, 2019 proposals were received from five (5) firms as follows:

1. Accenture, LLP – San Francisco, California
2. D.R. McNatty and Associates Inc. – Mission Viejo, California
3. e-Builder Inc, A Trimble Co. – Plantation, Florida
4. KPMG LLP – San Francisco, California
5. Stellar Services Inc – San Francisco, California

The proposals were reviewed by the BART Selection Committee, chaired by Contract Administration, which consisted of representatives from a wide range of departments and disciplines. All five proposals were determined to be responsive and to have met the RFP minimum technical requirements.

In accordance with the provisions of the RFP, the selection of firms was based on the best value methodology. Under this approach, the District retains the right to award to other than the lowest cost proposal, based on a determination that certain technical advantages available from a proposal will equate to added value for the District. The Selection Committee scored the written statement of qualifications and key personnel qualifications. The score for the written statement of qualifications was based on each firm's technical approach, the firm's experience and references, proposed services and implementation approach, project plan and schedule, and proposed key personnel and project team organization.

The Selection Committee then reviewed the price proposals and determined that all five (5) proposals were within the competitive range. All five proposing teams were requested to provide a technical demonstration of their proposed solutions. The technical solution demonstrations were conducted from May 29, 2019 through May 31, 2019.

After the technical demonstrations, the Selection Committee combined the qualifications/technical scores and technical solution demonstration scores and based on best value analysis determined that KPMG with its EcoSys solution provided the best value to the District.

KPMG is a private limited liability partnership firm with over \$9.5 billion in revenue as of September, 2018. By all key market metrics, KPMG is a responsible firm that demonstrates financial and management stability required to provide services to BART. KPMG has subcontracted with Hexagon, the provider of EcoSys software. Hexagon is a world-leading provider in asset life cycle solutions for design, construction, and operations and has over five (5) decades of project delivery experience. The EcoSys software has been implemented in over 300 large global organizations in both the public and private sectors. EcoSys is a

fully integrated, cloud-based platform that integrates all phases of project and portfolio life cycle.

Pursuant to the District's Non-Federal Small Business Program, the Office of Civil Rights set a 5% Small Business Prime Preference for this Agreement for Small Businesses certified by the California Department of General Services (DGS). D.R. McNatty is a certified Small Business, making it eligible for the 5% Small Business Prime Preference for this Agreement for evaluation purposes.

Pursuant to the District's Non-Discrimination Program for Subcontracting, the Availability Percentages for this Agreement are 5.5% for Minority-owned Business Enterprises (MBEs) and 2.8% for Women-owned Business Enterprises (WBEs). KPMG committed 0% MBE and 0% WBE participation. KPMG did not meet either the MBE or WBE Availability Percentages; therefore, KPMG was requested to provide the Office of Civil Rights with supporting documentation to determine if it had discriminated based on race, national origin, color, gender or ethnicity. Based on the review of the information submitted by KPMG, the Office of Civil Rights found no evidence of discrimination.

FISCAL IMPACT:

Funding in the amount of \$5,830,601 for award of Agreement No. 6M4625 is included in the total project cost of the Project Portfolio Management system.

The contract will include a base component (capital) and two (2) one-year maintenance options (operating). The breakdown of costs for the base contract year and the two (2) maintenance options is:

	Year 1 Base Year	Year 2 Maintenance Option (1)	Year 3 Maintenance Option (2)	TOTAL
Agreement 6M4625	\$4,003,161	\$913,720	\$913,720	\$5,830,601

The Office of the Controller / Treasurer certifies that funds are currently available to meet this obligation.

This action is not anticipated to have any Fiscal Impact on unprogrammed District Reserves.

Capital Fiscal Impact

Funding in the amount of \$4,003,161 for the Project Portfolio Management (PPM) initiative is included in the total Project budget for FMS #65HF000 – Project Portfolio Management System.

The table below lists funding assigned to the referenced project and is included to track funding history against spending authority. Funds needed to meet this request will be expended from the following sources:

Fund No.	Fund Description	Source	Amount
8533	FY 2019 Operating to Capital Allocation	BART	\$3,000,000
8534	FY 2020 Operating to Capital Allocation	BART	\$1,172,560
TOTAL			\$4,172,560

As of 08/09/2019, \$4,172,560 is the total budget for this project inclusive of \$169,399 for BART labor. BART has expended \$4,205 and committed and reserved \$0 to date. This action will commit \$4,003,161, leaving an available fund balance of \$165,194 in the fund sources for this project.

Operating Fiscal Impact:

Funding in the amount of \$913,720 will be included in account 681355-Software & Tech Support of the proposed budget of the Assistant General Manager of Performance & Budget (Cost Center 1101466) in Year 2 (for Maintenance Option 1) and Year 3 (for Maintenance Option 2), subject to Board approval.

ALTERNATIVES:

1. Cancel the RFP
2. Do not enter into an Agreement with KPMG, LLP

These alternatives would delay the implementation of the PPM system, which would negatively impact the District's ability to effectively plan for and monitor capital projects, and potentially adversely impact the District's readiness review concerning its eligibility for the Federal Transit Administration's Capital Investment Grant.

RECOMMENDATION:

Adoption of the following motion.

MOTION:

The General Manager is authorized to award Agreement No. 6M4625 to KPMG, LLP in the amount not-to-exceed \$5,830,601 for implementation of a Project Portfolio Management system, subject to compliance with the contract's insurance provisions and pursuant to notification by the General Manager. The General Manager is further authorized to exercise two (2) one-year Maintenance Options included in the price.