

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 101163	Resolution: <input type="radio"/> Yes <input checked="" type="radio"/> No
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TITLE:

Financial Advisor Services Program

PURPOSE:

To obtain Board approval to initiate and award a contract(s) for financial advisor services to assist WMATA in development and analysis of complex financial plans or transactions.

DESCRIPTION:

WMATA does not have a contract vehicle in place for financial advisor services. Initiatives where assistance from a financial advisor is critical include the New Electronic Payments Program (NEPP) and for support of multi-year financial planning.

Under the NEPP, services will include support during the evaluation and award phases of the program, and assessment of innovative financing alternatives or other commercial agreements that arise as part of the program. The scope also includes development of alternative negotiating positions, providing support during negotiations and development of supporting analyses on projected and optimized cash flows and structures. Further, the scope includes development of detailed pricing analyses as needed and providing advice to WMATA on current and forecast market conditions that may affect the contract pricing model.

Work under the multi-year financial planning tasks will include development of multi-year revenue and expenditure projections, development of overhead and indirect rates, development of cost savings and revenue-generating initiatives, and other assessments as required. The scope of work also includes development of multi-year overhead and indirect rates, multi-year revenue and expenditure projections, and multi-year revenue and expenditure projections including identification of achievable cost savings and revenue generating initiatives.

The Financial Advisor Services Program may be a multiple award contract structure with the potential of several firms under contract depending on their particular area of expertise to support the Authority's needs under the financial advisor program. The contract(s) would run for a two year base and three one-year options for a total of five years and all work will be performed on a task order basis as needed. The values of work indicated in the Funding Impact section are estimates at this time and the negotiated value of the task orders may be less than the estimates.

FUNDING IMPACT:

Fiscal Year 2012	
Program:	Capital Improvement Program
Project:	CIP #97 New Electronic Payments Program
Project Manager:	Gregory Garback
Project Department/Office:	DGMA/NEPP
Budget:	\$2,250,000
This Action:	\$500,000
Prior Approval:	\$0
Remaining Budget:	\$1,750,000
Remarks:	Estimated values; award will be subject to approval of the FY12 budget and availability of funds
Operating Budget Impact:	None at this time

Fiscal Year 2012	
Program:	Capital Improvement Program
Project:	CIP #126 Financial Planning, Project Administration, and Systemwide Infrastructure Upgrades
Project Manager:	Matt Brown
Project Department/Office:	DGMA/OMBS
Budget:	\$1,065,483
This Action:	\$250,000
Prior Approval:	\$0
Remaining Budget:	\$815,483
Remarks:	Estimated values; award will be subject to approval of the FY12 budget and availability of funds
Operating Budget Impact:	None at this time

Fiscal Year 2012	
Program:	Operating Budget
Project:	Office of Management and Budget Services - Professional Services
Project Manager:	Matt Brown
Project Department/Office:	DGMA/OMBS
Budget:	\$163,568
This Action:	\$100,000
Prior Approval:	\$0
Remaining Budget:	\$63,568
Remarks:	Estimated values; award will be subject to approval of the FY12 budget and availability of funds
Operating Budget Impact:	The value of any task order issued would be within the approved budget.

RECOMMENDATION:

Approval to initiate and award a contract(s) for financial advisor services to assist WMATA in development and analysis of complex financial plans or transactions on a task order basis in an amount not to exceed \$850,000 for all programs in FY2012.