

**Washington Metropolitan Area Transportation Authority
Board Action/Information Summary**

Action
 Information

MEAD Number:
99727

Resolution:
 Yes No

PURPOSE

To request Board approval to initiate and award a sole source contract to Gayland Moffat Consulting for an organizational assessment.

DESCRIPTION

WMATA's proposed FY08 budget contains a deficit of \$64.1 million. To minimize or eliminate the need for a fare increase, additional expense reductions must be identified. In order to address this budget issue, a consulting firm with experience and expertise in the areas of rail and bus operations, system safety, planning, governance, human resources, programs, communications, facilities, financial management, and revenue generation is recommended.

The consultant will review the staffing and operations of the organization and identify inefficiencies and make recommendations for improvements as necessary. The report will be delivered to WMATA no later than April 16, 2007.

The costs associated with this contract will be offset by actions taken on December 18, 2006 to streamline our budget. These include, but are not limited to, implementation of a hiring freeze for all non-operation and non-police staff, and review of all consulting expenditures for more than \$100,000 that are not related to providing service to customers.

FUNDING IMPACT

The funding for this project will come from the following:

Budget:	Fiscal 2007 Operating
Department:	Chief Financial Officer
Budget Line Item:	Professional and Technical Services
FY07 Budget:	\$435,700
Cost of this action:	\$150,000
Expenses to date:	\$0
Subtotal:	\$150,000
Budget remaining:	\$285,700

RECOMMENDATION

That the Board approve the initiation and award of a sole source contract to Gayland Moffet Consulting for an organizational assessment at a cost not to exceed \$150,000.

PRESENTED AND ADOPTED:

SUBJECT: FISCAL 2008 ORGANIZATIONAL ASSESSMENT

RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, In development of the Authority's proposed fiscal 2008 operating budget a deficit of \$64.1 million was identified; and

WHEREAS, This deficit exists even after staff has recommended a \$15.6 million budget reduction in administrative functions and an additional \$13.6 million budget reduction in bus and rail service levels; and

WHEREAS, Additional budget reductions may be possible if a professional, independent reviewer conducts an organizational assessment to examine and report on functional areas of the budget that could be reduced or eliminated; and

WHEREAS, To reduce or potentially eliminate the current \$64.1 million deficit it is necessary to identify additional potential savings prior to the time at which the Board of Directors will take action on the fiscal 2008 budget; and

WHEREAS, The schedule associated with a competitive procurement process would preclude this work from being completed in time to be included in the fiscal 2008 budget; and

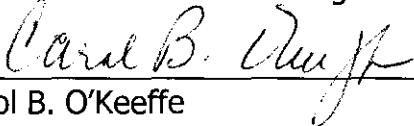
WHEREAS, The Authority has received a qualified proposal from Gayland Moffat Consulting to perform this work within the time line and budget established; now, therefore, be it

RESOLVED, That the Acting General Manger is authorized to enter into a sole-source contract with Gayland Moffat Consulting to complete an organizational assessment at a cost not to exceed \$150,000; and, be it further

RESOLVED, That funding for this action be made available from the Professional and Technical services apportionment of the Chief Financial Officer's FY07 budget Operating Reserve account; and, be it further

RESOLVED, That this resolution shall become effective immediately.

Reviewed as to form and legal sufficiency.



Carol B. O'Keeffe
General Counsel

Proposed