



METROPOLITAN  
TRANSPORTATION  
COMMISSION

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## *Memorandum*

TO: Administration Committee

DATE: July 7, 2010

FR: Executive Director

W. I. 1236

RE: Contract Amendment - On-call Public-Private Partnership Consultant and Legal Services:

- i). KPMG, Sacramento, CA (\$100,000)
- ii). Jeffrey Parker & Associates, New York, NY (\$150,000)
- iii). Halcrow, Inc., Oakland, CA (\$150,000)
- iv). Nossaman LLP, Los Angeles, CA (\$150,000)

Staff requests this Committee authorize the Executive Director or his designee to negotiate and enter into contract amendments with the firms listed above for services to be performed during FY 2010-2011 related to the evaluation of opportunities for public-private partnerships to assist in the development and delivery of transportation projects, subject to Commission approval of AB 1171 (Bridge Toll) funds for such purpose.

### Background:

In 2009, California enacted legislation that expands options available to regional transportation agencies to fund and deliver transportation projects: (1) SB 4 (Codgill) allows the private sector to partner with public agencies in financing and delivering transportation projects; (2) AB 798 (Nava) creates the California Transportation Financing Authority, which can authorize MTC to issue bonds to finance improvements on the state highway system.

On December 9, 2009, this Committee approved the selection of the above firms to provide MTC and BATA with on-call public-private partnership (P3) consulting and legal services through July 2012. MTC has since engaged the firms to develop a delivery strategy for a Regional Express Lane Network using a combination of the financing and project delivery methods authorized under current law. To date, within the initial FY 2009-10 budget of \$267,000, the firms have advised MTC on a work plan, drafted a cooperative agreement with Caltrans for development of a project study report, and begun to assemble information required to develop the plan.

The next step is to develop the program delivery strategy. The strategy will identify near-term funding opportunities and assess potential opportunities for design-build delivery and P3 and/or public financing. The additional budget will also fund legal services to develop subsequent agreements with Caltrans and the CMAs for the development and implementation of the network.

If approved, staff will enter into contracts with the named firms in the specified maximum amounts, subject to Commission allocation of Bridge Tolls funds (AB 1171) on July 28, 2010. MTC will allocate the remaining funding up to \$1,100,000 among the firms based on specific areas of expertise required by the work plan. Contract amendments in amounts exceeding the Executive Director's signature authority will return to this Committee for approval.

Recommendation

Staff recommends this Committee authorize the Executive Director or his designee to enter into contract amendments with KPMG in an amount not to exceed \$100,000 and with Jeffrey Parker & Associates, Halcrow Inc., and Nossaman LLP in amounts not to exceed \$150,000 each, for continuing services related to the evaluation of opportunities for public-private partnerships to assist in the development and delivery of transportation projects, subject to Commission allocation of AB 1171 funds for such purpose on July 28, 2010.

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Steve Heminger

SH:LK:MJM

REQUEST FOR COMMITTEE APPROVAL  
Summary of Consultant and Legal Services Contract Amendments

Work Item No.: 1236

Consultant: KPMG, Sacramento, CA  
Jeffrey Parker & Associates, New York, NY  
Halcrow, Inc., Oakland, CA  
Nossaman LLP, Los Angeles, CA

Work Project Title: Public-Private Partnership (P3) Consultant and Legal Services

Purpose of Project: To provide consulting or legal services to MTC for services related to the evaluation of opportunities for P3s to assist in the development and implementation of transportation projects throughout the region

Brief Scope of Work: Examples of potential tasks for MTC might request assistance include: identification and evaluation of potential projects or elements of projects suitable for a P3, technical evaluation of the value-benefit of private sector involvements, as compared to other methods of delivery and finance, analysis of risk considerations, development of procurement strategies, and assistance with preparation of agreements and contracts.

Project Cost Not to Exceed: 

- KPMG - \$100,000 (current contract = \$75,000)
- Jeffrey Parker & Associates – \$150,000 (current contract = \$25,000)
- Halcrow, Inc. - \$150,000 (current contract = \$58,000)
- Nossaman LLP - \$150,000 (current contract = \$109,000)

Funding Source: Bridge Tolls (AB 1171)

Fiscal Impact: Activities proposed for inclusion in MTC's FY 2010-11 budget on July 28, 2010

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into contracts with KPMG, Jeffrey Parker & Associates, Halcrow, Inc., and Nossaman LLP, to provide the consulting and legal services described above and in the Executive Director's memorandum dated July 7, 2010, and the Chief Financial Officer is directed to set aside funds up to the amounts specified above for such amendments.

Admin Committee Chair: \_\_\_\_\_  
Tom Bates, Chair

Approved: Date: July 14, 2010