



ITEM ID: 2023-226-0

TRANSMITTAL DATE: June 16, 2023

MEETING DATE: June 23, 2023

TO: Board of Directors

FROM: Arnold Hackett, Chief Financial Officer

SUBJECT: FY2023-24 Annual Authorization and Extend Period of Performance for Administrative and Operating Services Agreements

Issue

Annual authorization is required to continue various administrative and operating agreements. These administrative and operating agreements support the Authority's business functions and system.

Recommendation

CONTRACTS, OPERATIONS, MAINTENANCE, AND SAFETY COMMITTEE RECOMMENDED (5-0) the Board approve a total not-to-exceed annual amount of \$615,000 for FY2023-24 for the administrative and operating agreements listed in Attachment A and to extend the terms to June 30, 2024, contingent upon Board approval of the FY2023-24 budget.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on subsidy, while bringing our system into state of good repair and investing in the development of employees. These administrative and operating agreements support the Authority's business functions and system.

Background

The Authority executes agreements for various administrative and operating services on a regular basis. These administrative and operating agreements support the Authority's business functions and system.

Discussion

The Authority began using the annual Board approval process in 2013 to seek annual authority for five categories, including:

1. Software License, Maintenance, and Support Agreements (Licenses)
2. Original Equipment Manufacturers Agreements for Rolling Stock Components, Communication Signal Equipment, and Positive Train Control Requirements (OEMs)
3. Maintenance, Repair and Operations Agreements (MROs)
4. Administrative and Operating Services Agreements (Admin & Ops)
5. Communication Network Towers and Related Leasing Agreements (Towers)

As part of Annuals development process, staff assessed the services and agreements included in Attachment A to ensure that they were appropriate to maintain in the FY2023-24 Annuals.

The requested annual authority for the agreements included in Attachment A are based on estimated amounts developed by the respective Project Managers. The Project Managers, along with the Authority's Budget Team, have confirmed that the requested amounts are reflected in each Department's corresponding annual budget requested.

Disadvantaged Business Enterprise (DBE) Requirements

These agreements are not federally funded; therefore, the DBE program is not applicable.

Budget Impact

The amounts for which annual authority is requested are included in, and are contingent upon, the adoption of the Proposed FY2023-24 Operating Budget (\$615,000).

Next Steps

Upon Board approval of these Annual items, and approval of the FY2023-24 budget, staff will execute the Annual items beginning on July 1, 2023.

Prepared by: Brian Jacob, Senior Contract and Compliance Administrator

Approved by: Arnold Hackett, Chief Financial Officer

Attachment(s)

Attachment A - FY24 Annuals - Administrative and Operating