

**Metropolitan Transportation Commission
Administration Committee**

May 14, 2025

Agenda Item 2e-25-0693

**Contract Amendment – Third Party Independent Transit Operator Review: Macias Gini
& O’Connell, LLP (\$60,000)**

Subject:

A request to authorize a contract amendment in an amount not to exceed \$60,000 and extension through June 30, 2025, with Macias Gini & O’Connell, LLP (MGO) to conduct an independent third-party review of transit operators’ budget deficits and fair-share contributions under the proposed regional revenue measure.

Background:

MTC entered into contract with MGO to conduct an independent review of projected budget deficits for specific Bay Area transit operators, as well as a review of local funding contributions to BART and Caltrain. The purpose of this work is to ensure full transparency, consistent financial modeling and reporting of operating deficits across the relevant transit operators, and to develop a transparent factual record that can be used to support and inform ongoing discussions among policy makers regarding fair-share contributions, included as part of the proposed regional revenue measure through Senate Bill 63.

MGO was selected from an informal procurement and contracted in the amount of \$187,500 through April 30, 2025. Additional tasks have been identified as necessary to complete the review. This proposed contract amendment to add an amount not to exceed \$60,000 and extend the contract term through June 30, 2025, will allow funding and time to complete the additional tasks.

Issues:

None identified.

Recommendations:

Staff recommends that the Committee authorize the Executive Director or designee to negotiate and enter into a contract amendment with Macias Gini & O’Connell, LLP to extend the term through June 30, 2025 and add an amount not to exceed \$60,000 for a total contract not to exceed of \$247,500.

Attachments:

- Request for Committee Approval – Summary of Proposed Contract Amendment



Andrew B. Fremier

Request for Committee Approval

Summary of Proposed Contract Amendment

Work Item No.:

Consultant: Macias Gini & O’Connell LLP
Los Angeles, CA 90017

Work Project Title: Third Party Independent Transit Operator Review

Purpose of Project: To conduct an independent review of transit operator budget deficits and fair-share contributions.

Brief Scope of Work: To conduct a third-party review of projected budget deficits for specific Bay Area transit operators, as well as fair-share analysis for regional operators such as BART and Caltrain.

Project Cost Not to Exceed: \$247,500

Funding Source: State Transit Assistance Funds

Fiscal Impact: \$60,000 for FY 2024-25

Motion by Committee: That the Executive Director or designee is authorized to negotiate and enter into a contract amendment with Macias Gini & O’Connell for an independent review described above and in the Administration Committee Summary Sheet dated May 14, 2025 and that the Chief Financial Officer is authorized to set aside \$60,000 for such amendment.

Administration Committee:

Gina Papan, Chair

Approved: May 14, 2025