

BART Agreement Number: 6M8148

Approval Date: 09/08/2020

Work Plan No. C.02-01 – Changing BART’s Operating Cost Structure

Scope:

2.0 SERVICES TO BE PERFORMED BY CONSULTANT AND WORK BREAKDOWN STRUCTURE:

Task 1: Define Cost Performance Improvement Potential and Assess Real Estate Revenue

Identify the potential value at stake in BART’s current operating budget through benchmarking and intervention identification, with focus on Maintenance & Engineering, Rolling Stock & Shops, Property Development & Real Estate, and headquarter functions.

Maintenance & Engineering and Rolling Stock & Shops

1. Baseline current M&E labor and external spend levels (e.g. savings from top suppliers; shop productivity and maintenance levels; spend control tower and purchasing supply manager database)
2. Validate and support additional RS&S initiatives
3. Benchmark costs against peer public agencies
4. Determine value at stake

Headquarters Functions and Ancillary Real Estate Revenues

1. Benchmark headquarters functions against peer public agencies (e.g. staffing levels and productivity; external spend management); develop detailed analysis of highest potential headquarters functions to validate savings
2. Understand current real estate holdings, earnings, and development potential relative to marketplace
3. Determine value at stake

Attend weekly checkpoint meetings with BART leadership to ensure resources are aligned against the highest priority areas and twice weekly interactions (more as desired) with key BART personnel as we iterate toward final deliverables.

2.0 DELIVERABLES

Task 1 – Bi-Weekly Steering Committee meetings and supporting presentation materials.

Prime: TY Lin + TSE JV

Subconsultant	Amount	DBE (Y/N)	SBE (Y/N)
McKinsey & Company	\$ 568,000	N	N

Total Work Plan Value: \$ 588,390