



DATE: July 26, 2018

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Li Zhang, Chief Financial Officer

SUBJECT: Review and Approval of TAM's Sales Tax Consultant Service Team Selection (Action), Agenda Item No. 6d

RECOMMENDATION:

The TAM Board approves the selection of Avenu Insights & Analytics, LLC (Avenu), and authorizes the Executive Director to negotiate and enter into contract with Avenu for consulting services for the Measure A Half-Cent Transportation Sales Tax, starting August 1, 2018. The contract will be for a 3-year period with the option to be extended for two additional years, through July 31, 2023.

BACKGROUND:

The voted approved Measure A Half-Cent Transportation Sales Tax is TAM's main funding sources for various critical transportation projects and programs in Marin County. Annual revenue collection for the Measure A Half-Cent Transportation Sales Tax is expected to be more than \$27 million in FY2017-18, which is more than 75% of TAM's total revenue for the year. Knowing how important it is for the agency to have an accurate and complete understanding of the Measure A Half-Cent Transportation Sales Tax revenue sources, its trend, and factors that impacts the revenue collection, TAM engaged HdL Companies in June of 2013 for quarterly sales tax monitoring and annual projection services of Measure A Half-Cent Transportation Sales Tax. The contract with HdL Companies expired on June 30, 2018. And staff believe it's important to continue this critical consultant support and issued a Request for Proposal for this service on June 20, 2018.

DISCUSSION/ANALYSIS:

Staff received two proposals as of the July 6, 2018 deadline, both are high qualified teams with extensive experiences and well respected and known in this field. Both teams were invited for an interview that took place on July 16, 2018. The interview panel included three members: Antonio Onorato, Director of Administration, Finance, and Policy with Napa Valley Transportation Authority; Helen Yu-Scott, Finance & Administrative Services Director with Town of San Anselmo; and Li Zhang, TAM's Chief Financial Officer.

The teams were rated by the following 5 criteria after the proposal review and oral interviews:

1. Firm Qualification (20)
2. Experiences of Project Leader/Key Staff (30)
3. Work Management Plan/Recommended Approach
4. Responsiveness, Clarity and Completeness of Proposal
5. Fee Proposal

It was a very close race, but Avenu Insights & Analytics, LLC was ranked by No. 1 by the panel, mostly due to its more extensive and focused work on transportation related sales tax and the powerful economic analysis tools enabled by its newly launched Clearview software.

FISCAL CONSIDERATION:

The proposed cost is about \$11,000 for the initial three-year contract period. Cost for the two-year extension period is estimated to be about \$8,000. The contract will also include an option audit service component, which allows TAM to use Avenu Insights & Analytics, LLC to help recover any underreported and misallocated revenue. Those services will be paid by 18-20% of the recovered revenue.

NEXT STEPS:

Staff will start the negotiation with Avenu Insights & Analytics, LLC, and finalize the contract by July 31, 2018.