

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2005-23

Contract Amendment with Ad Club, Incorporated

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	3/3/05	Discussion/Possible Action	Vernon Stoner, Deputy Chief Executive Officer Janice Bondar, Human Resources Manager	(206) 398-5451 (206) 398-5054

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	✓
Interagency Agreement		Contingency Funds (Budget) Required	
Purchase/Sale Agreement		Budget Amendment Required	

✓ *Applicable to proposed transaction.*

ACTION

Authorizes the Chief Executive Officer to execute a contract amendment with Ad Club, Inc. in the amount of \$110,000 for employment advertisement services for a new total authorized contract amount not to exceed \$305,000, and to exercise the option to extend the term of the contract through March 31, 2006.

KEY FEATURES

- Provides the ability to place all employment advertisements through one company to achieve discount bulk buying rates and decrease Sound Transit advertising costs.
- Places employment advertisements, locally and nationally, based on industry specific to positions.
- Increase outreach to diverse populations and enhance efforts at a national level.
- Meets scheduling deadlines for filling key positions.

BUDGET IMPACT SUMMARY

There is no action outside of the current Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan.

BUDGET DISCUSSION

The proposed action is within the current annual proposed 2005 budget. No amendments are necessary. The future year's costs will be requested each year.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed action is consistent with the current Board-adopted budget and is affordable within Sound Transit’s current long-term financial plan and the subarea financial capacity.

BUDGET TABLE

	(A) Current Approved Contract Value	(B) Spent to Date	(C) Proposed Action	(D) Proposed Total Contract Value
1 Contract Budget				
1 Ad Club	195,000	158,000	110,000	305,000
2 Contingency	-	-		-
3 Total	195,000	158,000	110,000	305,000
4 Percent Contingency	-	-	0%	0%

Contract to be Charged to:

	Past Costs	2005 Staff Budget	2006 Budget	Total
5 Ad Club	158,000	100,000	47,000	305,000

	2005 Board Adopted Staff Budget	This Action for 2005	2006 Budget	
6 Advertising	100,000	100,000	47,000	
7				
8 Total Account	100,000	100,000	47,000	

Budget Shortfall

	Level	\$	Revenues	Funding Source
9	NA	-	-	NA

Notes

Budget for this item is in Executive department within other miscellaneous category. The total Agency budget is on page 192 of proposed 2005 budget

The contract covers a period of 3/2003 - 3/3006.

M/W/DBE – SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

Ad Club will be performing 100% of the work on this contract amendment.

EEO Commitment

Ad Club workforce demographics are 53% women and 18% minorities.

Apprentice Utilization Commitment

Not applicable to this action.

HISTORY OF PROJECT

Sound Transit received a total of four proposals in a competitive procurement process which were reviewed by a panel. Ad Club, Inc. was selected in February 2003 for meeting all the

criteria and receiving the highest points set forth in the RFP, being responsive in their proposal, and having the lowest ascertainable costs.

The initial contract period was awarded within the Chief Executive Officer's authority for one year in the amount of \$195,000 with two options for one-year renewals, not to exceed a total of three years. The first contract extension was approved on March 31, 2004 extending the contract to March 31, 2005. No additional funds for the contract were requested at that time. The contract amendment proposed in this action will provide additional funds needed to extend the contract through March 2006.

Ad Club has been successful in securing lower advertisement rates, as well as addressing Sound Transit's business needs and commitment to diversity.

CONSEQUENCES OF DELAY

A delay beyond March 31, 2005 will significantly increase the cost of advertising Sound Transit positions in local and national publications. Because it would be necessary to place individual position advertisements in order to meet various publication deadlines, it would also increase the time and resources needed to fill key positions and consequently negatively impact workload and timelines for projects and services.

PUBLIC INVOLVEMENT

Not applicable to this action.

LEGAL REVIEW

JW 2/14/05

SOUND TRANSIT

MOTION NO. M2005-23

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute a contract amendment with Ad Club, Inc. in the amount of \$110,000 for employment advertisement services, for a new total authorized contract amount not to exceed \$305,000, and to exercise the option to extend the term of the contract through March 31, 2006.

Background:

Sound Transit received a total of four proposals in a competitive procurement process which were reviewed by a panel. Ad Club, Inc. was selected in February 2003 for meeting all the criteria and receiving the highest points set forth in the RFP, being responsive in their proposal, and having the lowest ascertainable costs.

The initial contract period was awarded within the Chief Executive Officer's authority for one year in the amount of \$195,000 with two options for one-year renewals, not to exceed a total of three years. The first contract extension was approved on March 31, 2004 extending the contract to March 31, 2005. No additional funds for the contract were requested at that time. The contract amendment proposed in this action will provide additional funds needed to extend the contract through March 2006.

Ad Club has been successful in securing lower advertisement rates, as well as addressing Sound Transit's business needs and commitment to diversity.

Motion:

It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute a contract amendment with Ad Club, Inc. in the amount of \$110,000 for employment advertisement services, for a new total authorized contract amount not to exceed \$305,000 and to exercise the option to extend the term of the contract through March 31, 2006.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 3, 2005.



Kevin R. Phelps
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator