

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2007-113

Contract Amendment for Advertising Services

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	11/1/07	Discussion/Possible Action	Agnes Govern, Executive Director Elizabeth Chan, Senior HR Generalist	(206) 398-5037 (206) 398-5077

Contract/Agreement Type:	<input checked="" type="checkbox"/>	Requested Action:	<input checked="" type="checkbox"/>
Competitive Procurement	<input checked="" type="checkbox"/>	Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	<input checked="" type="checkbox"/>
Interagency Agreement		Contingency Funds (Budget) Required	
Purchase/Sale Agreement		Budget Amendment Required	

✓ Applicable to proposed transaction.

PROJECT NAME

Advertising Services

PROPOSED ACTION

Authorizes the chief executive officer to exercise an option to extend the contract with Ad Club, Incorporated for one year to provide employee recruitment advertising services in the amount of \$170,000 for a new total authorized contract amount not to exceed \$365,000.

KEY FEATURES of PROPOSED ACTION

- The use of one company for all recruitment advertising allows Sound Transit to achieve discount bulk buying rates, decreasing Sound Transit's advertising costs.
- Increases outreach to diverse populations and enhances recruitment efforts at the national level.
- Permits Sound Transit to continue to place local and national recruitment advertisements as appropriate for each position.
- Efficiency of advertising process helps meet scheduling deadlines for filling key positions.
- Exercises the option year of the original two-year contract. The proposed action will provide funds and extend the contract through February 2009.

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 and FINANCIAL PLAN DISCUSSION

The proposed action includes \$24,000 within the Adopted 2007 Staff Budget and \$110,000 within the Proposed 2008 Staff Budget in the Corporate Services department, under the Other Miscellaneous Expenses account. The 2009 portion of approximately \$36,000 will be included in the Proposed 2009 Staff Budget. No budget amendments are necessary.

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 sub area financial capacity.

BUDGET TABLE

Summary for Board Action

Action Item: Ad Club

	(A)	(B)	(C)	(D)
Contract Budget	Current Approved Contract Value	Spent to Date	Proposed Action	Proposed Total Contract Value
Ad Club	195,000.00	185,000.00	170,000.00	365,000.00
Contingency	-	-	-	-
Total	195,000.00	185,000.00	170,000.00	365,000.00
Percent Contingency				

Various Operating Budgets	2007 Board Adopted Staff Budget	Spent to date	2007 Expenditures	Future Budgets	Proposed Contract Value
HR Advertising	95,000.00	69,000.00	24,000.00	146,000.00	170,000.00
Other	1,025,450.00	696,958.00	328,492.00	N/A	
Total Other Misc. Expenses	1,120,450.00	765,958.00	352,492.00		170,000.00

Budget Shortfall

Level	\$	Revenues	Funding Source
NA	-	-	NA

Notes

Budget for this item is included on page 194 of Adopted 2007 Budget book and page 200 of Proposed 2008 Budget book in line Other Misc. Expenses. 2009 portion of the contract amount will be requested in proposed 2009 budget.

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% are women and 18% minorities.

Apprentice Utilization Commitment:

Not required or committed to for this contract.

PROJECT DESCRIPTION AND BACKGROUND for PROPOSED ACTION

Ad Club is a company that places recruitment advertisement for companies at the local and national level. The proposed action will allow Sound Transit to continue to advertise both locally and nationally depending on the particular position through one company.

The contract with Ad Club was competitively procured in March 2006 and awarded within the chief executive officer's authority. The initial contract period is for two years with an option to extend for one additional year. The contract amendment proposed in this action will provide funds and extend the contract through February 2009.

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

Prior Board/Committee Actions

None.

CONSEQUENCES OF DELAY

A delay beyond March 2008 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.

ENVIRONMENTAL COMPLIANCE

Not applicable to this action.

LEGAL REVIEW

JW 10/23/07

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A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to exercise an option to extend the contract with Ad Club, Incorporated for one year to provide employee recruitment advertising services in the amount of \$170,000 for a new total authorized contract amount not to exceed \$365,000.

Background:

Ad Club is a company that places recruitment advertisement for companies at the local and national level. The proposed action will allow Sound Transit to continue to advertise both locally and nationally depending on the particular position through one company.

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Ad Club has been successful in securing lower rates for position advertising 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 exercise an option to extend the contract with Ad Club, Incorporated for one year to provide employee recruitment advertising services in the amount of \$170,000 for a new total authorized contract amount not to exceed \$365,000.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on November 1, 2007.



Fred Butler
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator