

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2007-63**

**Contract Amendment for Agency-wide Technology Peripheral Hardware**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	6/21/07	Discussion/Possible Action	Brian McCartan, Executive Director <b>Kevin Crawford,</b> <b>CIO, Finance and</b> <b>Information</b> <b>Technology</b>	(206) 398-5082  (206) 398-5137

<b>Contract/Agreement Type:</b>	✓	<b>Requested Action:</b>	✓
Using other Agency Competitive Contracts		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	✓
Agreement with Other Jurisdiction(s)		Budget Amendment	
Real Estate		Property Acquisition	

**PROJECT NAME**

Agency-wide Technology Peripheral Hardware

**PROPOSED ACTION**

Authorizes the chief executive officer to execute a contract amendment with Zones, Inc. to provide additional peripheral hardware procurement services in the amount of \$300,000, for a new total authorized contract amount not to exceed \$499,000.

**KEY FEATURES of PROPOSED ACTION**

- The current contract with Zones, Inc. was executed by the chief executive officer in May 2006 for a term of one year and an amount not to exceed \$199,000. The contract was competitively bid and contains the option to extend the agreement for two additional one-year terms.
- This action will amend the existing Zones contract by providing additional funding and extend the contract for two additional one-year terms to allow for anticipated additional small hardware procurements.
- The purpose of this contract is to provide a procurement mechanism for replacing aging hardware and purchasing new small hardware as required by agency staff for daily use and for approved agency projects.
- Small hardware required for agency use includes digital cameras, wireless headsets for desk phones, USB flash drives, replacement cables and other miscellaneous items.

- Aging hardware replacement includes printers, digital cameras and scanners:
  - Printers: 3 Years
  - Digital Cameras: 1 Year
  - Scanners: 3 Years
  
- The current contract with Zones, Inc. allows Sound Transit to take advantage of a 15% to 40% discount afforded by this procurement mechanism.
  
- The Zones contract includes both capital and expense procurements. Procurements will be charged to Information Technology (IT), departmental and project budgets (as approved for 2007-2009). Estimated expenditures are as shown:
  - Regional Fund Agency Administration Capital: \$50,000
  - Staff Operating Budget: \$150,000 (peripheral equipment for departments)
  - Capital Project Administration Phase: \$100,000 (peripheral equipment for projects)

**BUDGET IMPACT SUMMARY**

There is no action outside of the 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 is consistent with the current adopted budget and is affordable within the agency's long-term financial plan and subarea financial capacity. The action will have no new revenue impact on Sound Transit.

Expenditures for this contract are charged to three separate budgets. The administrative capital Adopted 2007 Budget of \$328,000 includes the \$25,000 needed for this contract. The staff department Adopted 2007 Budget for small equipment and furniture of \$662,000 includes the \$75,000 needed for this contract, and the project administrative phase Adopted 2007 Budget of \$52,329,000 includes the \$50,000 needed for this contract. Future amounts will be addressed in future years' budgets.

## **BUDGET TABLE**

### **Summary for Board Action (Year of Expenditure \$000)**

Budget Summary: This action would authorize xxx for contract for yyy. This amount is within the

#### **Action Item: Contract for Information Technology Equipment (Zones)**

	(A) Current Approved Contract Value	(B) Spent to Date	(C) Proposed Action	(D) Proposed Total Contract Value
1 <b>Admin Capital</b>	33	28	\$ 50	\$ 83
2 <b>Staff Budget Expense</b>	99	86	\$ 150	\$ 249
3 <b>Project Capital</b>	67	57	\$ 100	\$ 167
4 <b>Total</b>	199	171	\$ 300	\$ 499

#### **Contract to be Charged to:**

	2007 Staff Budget	This Action for 2007	Future Budget	2007 Surplus (Shortfall)
5 <b>Administrative Capital</b>	\$ 328	\$ 25	\$ 25	\$ 303

	2007 Adopted Staff Budget	This Action for 2007	Future Budget	2007 Surplus (Shortfall)
6 <b>Small Equipment/Furniture</b>	\$ 662	\$ 75	\$ 75	\$ 587

	2007 Adopted Project Budget	This Action for 2007	Future Budget	2007 Surplus (Shortfall)
7 <b>2007 Administrative Phase Project Budgets</b>				
<b>Administrative Phase</b>	\$ 52,329	\$ 50	\$ 50	\$ 52,279

#### **Notes**

5 The Administrative Capital Budget can be found on page 217 of the Adopted 2007 Budget.

6 The Small Equipment and Furniture Staff Budget can be found on page 174 of the Adopted 2007 Budget.

7 The Administrative Phase Budget for Link light rail, Sounder, and Regional Express can be found on pages 85, 104, and 132 respectively of the Adopted 2007 Budget.

## **M/W/DBE – SMALL BUSINESS PARTICIPATION**

### **Prime Consultant/Contractor**

Zones, Inc. is the prime consultant for this contract and will perform 100% of the work. Zones is a minority-owned firm.

### **EEO Commitment**

Zones, Inc. workforce demographics are 39% women and 23% minorities.

## **PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION**

The contract with Zones, Inc. provides small peripheral hardware procurement services to meet the needs of the agency's day-to-day technology needs, as well as hardware for capital and expense projects.

The current contract was executed through the chief executive officer's authority in May 2006 for a term of one year and an amount not to exceed \$199,000. The contract was competitively bid and contains the option to extend the agreement for two additional one-year terms.

This action will amend the current contract by providing additional funding and extending the contract for two additional one-year terms to allow for anticipated additional small peripheral hardware purchases for approved agency projects and day-to-day technology needs.

**CONSEQUENCES of DELAY**

Without approval of the above contract, each item must be individually bid, causing procurement to be more difficult and time consuming.

**PUBLIC INVOLVEMENT**

Not applicable to this action.

**ENVIRONMENTAL COMPLIANCE**

Not applicable to this action.

**LEGAL REVIEW**

JW 6/5/07

**SOUND TRANSIT**

**MOTION NO. M2007-63**

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 Zones, Inc. to provide additional peripheral hardware procurement services in the amount of \$300,000, for a new total authorized contract amount not to exceed \$499,000.

**Background:**

The contract with Zones, Inc. provides small peripheral hardware procurement services to meet the needs of the agency's day-to-day technology needs, as well as hardware for capital and expense projects.

The current contract was executed through the chief executive officer's authority in May 2006 for a term of one year and an amount not to exceed \$199,000. The contract was competitively bid and contains the option to extend the agreement for two additional one-year terms.

This action will amend the current contract by providing additional funding and extending the contract for two additional one-year terms to allow for anticipated additional small peripheral hardware purchases for approved agency projects and day-to-day technology needs.

**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 Zones, Inc. to provide additional peripheral hardware procurement services in the amount of \$300,000, for a new total authorized contract amount not to exceed \$499,000.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 21, 2007.



Fred Butler  
Finance Committee Chair

**ATTEST:**

  
\_\_\_\_\_  
Marcia Walker  
Board Administrator