

MOTION NO. M2011-74
Contract for Sounder Station Agents

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:	PHONE:
Operations and Administration Committee	10/27/11	Final Action	Bonnie Todd, Executive Director of Operations Michael Miller, Customer Facilities and Accessible Services Manager	206-398-5367 206-689-4927

PROPOSED ACTION

Authorizes the chief executive officer to execute a two-year contract with three one-year options with Hallcon Corporation to provide station agent services at Sounder stations in the amount of \$4,080,810 with a 10% contingency of \$408,081, for a total authorized contract amount not to exceed \$4,488,891.

KEY FEATURES

- This contract will continue the Station Agent program to provide customer service to Sounder customers. Agents assist customers with transit schedules, ticket vending machines, fare media and customer service inquiries at Sounder Stations.
- The contract allows for the addition of station agents when Sounder service is extended to South Tacoma and Lakewood in 2012, but does not include funding for the positions. Additional money will be requested to cover station agent costs for these stations once coverage levels have been established.

PROJECT DESCRIPTION

The Station Agent Program provides daily customer service and a secondary security presence at 10 Sounder stations in Snohomish, King and Pierce counties. Agents' presence is essential for customers during emergencies, service interruptions, and special events. Agents guide customers in ticket purchases, direct them to and from the train, and provide other transit information. Agents also perform a variety of additional duties including parking counts and surveys, outreach efforts, station inspections, snow removal, and tidy-up. Agents are a focal-point for communication between Sound Transit, BNSF, security and Sound Transit police.

FISCAL INFORMATION

This action will be funded from the 2012 Sounder operations budget, specifically from the budget reserved for station agents. The Proposed 2012 Budget for the Station Agent Program is \$747,948 and the estimated expenses under this action are \$729,632. The budget is sufficient to cover these expenses.

Summary for Board Action (X \$1,000)

Action Item: To execute a new contract with Hallcon Corporation for Station Agents at Sounder commuter rail stations.

Sounder Marketing & Rider Information budget	Adopted 2011 Budget (1)	Spent to date in 2011	2011 Committed to Date	2011 Remaining Budget
Sounder station agents budget	722	467	-	255
Other marketing and rider information budgets	156	51		105
Total Sounder Marketing & Rider Information Budget	878	518	-	360

Contract Spending Plan	Prior Year(s) Spending	2011 Expenditure	Future Expenditures	Total
Hallcon Corporation	-		4,489	4,489
Total	-	-	4,489	4,489

Contract Budget	Approved	Spent to Date	Action	Total Contract
Hallcon Corporation	-	-	4,081	4,081
Contingency	-	-	408	408
Total Contract	-	-	4,489	4,489
Percent Contingency	-	-	10%	10%

Notes:

1 Station agent budget is included in the Sounder marketing and rider information budget on P. 48 of the Adopted 2011 Budget book. The 2012 proposed budget has been submitted to the Board for review. This contract would be effective beginning in 2012.

SMALL BUSINESS PARTICIPATION

There was no goal established for small business participation.

EQUAL EMPLOYMENT WORKFORCE PROFILE

597 employees in the United States and Canada; 34.3% women; 20.1% minorities.

BACKGROUND

Station Agents assist Sounder customers with transit schedules, ticket vending machines, fare media and customer service inquiries on a daily basis. Station agents are often the first or only contact the customer has with Sound Transit at Sounder stations. Station agents also assist with the agency’s parking utilization counts and with outreach efforts to Sounder riders. The selection of a contractor with a record of high performance in the customer service industry is a critical element. Hallcon Corporation is the current Station Agent contractor and has been providing these services since 2008. The Station Agent Program received a rating of 96% customer approval based on the 2010 Customer Service Satisfaction Survey.

The contract scope of work provides managerial and supervisory staff and 14 Station Agents to provide daily customer service and cover approximately 30 special events annually year. The contract executed in 2008 with Hallcon Corporation included two one-year options to extend. However, instead of exercising the options, a new procurement for station agent services was

undertaken to reduce the costs of the Station Agent Program. The cost for the new contract is 8% lower than the current contract. The new contract includes the addition of an on-site manager who will provide contract management and supervision of the field supervisors and station agents. The on-site manager will handle all personnel actions for the contractor including interviewing, hiring and payroll actions.

Sound Transit issued a Request for Proposals (RFP) in April 2011. Nine firms submitted proposals. Proposals were evaluated based on criteria included in the RFP. Three firms were selected for in-person interviews with the selection team and Hallcon Corporation was selected as the successful proposer.

Analysis of Contracting Out versus Performing In-House

Prior to issuing the Request for Proposals, an internal cost benefit analysis of contracting the Station Agent Program was completed. The analysis compared the total cost of bringing the Station Agent Program service in house, including the costs of salaries, benefits and agency overhead with fully burdened costs of contracting for the service. For purposes of this analysis the agency staff costs for the lowest entry level salary for comparable agency positions for manager, supervisors and station agents were used as the basis for comparison.

The analysis showed that, over the life of the contract, awarding a third party contract for Station Agent services saves the agency between 30 and 50 percent when compared to bringing the work in-house.

ENVIRONMENTAL COMPLIANCE

SSK 10-6-11

TIME CONSTRAINTS

A one month delay would not create a significant impact to the project schedule.

PUBLIC INVOLVEMENT

Not applicable.

LEGAL REVIEW

JW 10/17/11

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A motion of the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a two-year contract with three one-year options with Hallcon Corporation to provide station agent services at Sounder stations in the amount of \$4,080,810 with a 10% contingency of \$408,081, for a total authorized contract amount not to exceed \$4,488,891.

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MOTION:

It is hereby moved by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a two-year contract with three one-year options with Hallcon Corporation to provide station agent services at Sounder stations in the amount of \$4,080,810 with a 10% contingency of \$408,081, for a total authorized contract amount not to exceed \$4,488,891.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 27, 2011.



Dave Enslow
Operations and Administration Committee Chair

ATTEST:



Marcia Walker
Board Administrator