

MOTION NO. M2017-60

Contract Amendment for Recruitment Advertising Services

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	05/04/2017	Final Action	Julie Honeywell, Chief Human Resources Officer Stephanie Finney, Human Resources Manager, Recruitment and Retention

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with Ad Club Services to provide recruitment advertising services for the agency in the amount of \$300,000, for a total authorized contract amount not to exceed \$499,999.

KEY FEATURES SUMMARY

- Sound Transit currently has a contract with Ad Club Services for advertising services to support recruitment for vacant positions in the agency.
- Ad Club Services places ads locally, regionally, and nationally based on the market reach and level of specialization. Ad Club Services provides access to advertise on websites and in many diversity publication and industry targeted publications such as engineering and transportation publications.
- The original contract was executed under the CEO's authority in the amount of \$199,999.
- The Human Resources division is currently assessing options and requirements to address the next competitive procurement process for advertising services.

BACKGROUND

After a competitive procurement, Sound Transit executed a contract with Ad Club Services in 2016 to place recruitment advertising in publications and on various websites, as well as provide Sound Transit with industry targeted niche packages to meet the needs to recruit for specialized skills and diversity. As an additional service, Ad Club maintains a database on all Sound Transit ads previously posted and expenditures.

For the past five years, Sound Transit has experienced tremendous growth. By the end of 2017, it is projected that the agency will have filled in excess of 200 positions. This growth is primarily driven by the ST3 expansion plan.

Sound Transit spends approximately \$800 on each position. This number can vary and the cost of advertising can be higher depending on the complexity of the role and market supply. Further, higher advertising costs can be incurred based on the quality of the talent pool and/or the number of candidates who withdraw from consideration or decline the offer. In these cases, job postings are frequently re-advertised which increases the total advertising cost.

Based on the need to fill approximately 200 positions in 2017 and anticipated new positions in 2018, an extension of the Ad Club Services contract and the additional funds of \$300,000 will provide the resources needed to support Sound Transit Capital Projects.

FISCAL INFORMATION

The proposed action will amend the current contract by \$300,000 for a new total authorized contract amount not to exceed \$499,999 and will be funded from the miscellaneous category within the Executive Department’s annual operating budget. The miscellaneous category budget is \$1,628,725 of which a total \$256,035 is estimated to be spent in 2017 and is within the agency’s budget authority. After approval of this action, the remaining annual budget amount will be used to fund other department expenditures in 2017.

Funding for the additional years of the contract will be included in future annual budget requests.

EXECUTIVE DEPARTMENT

(in thousands)

Cost Category	2017 Annual Operating Budget	Actuals to Date	This Action	Actuals to Date Plus Action	Remaining Annual Operating Budget
Salaries and Benefits	\$17,451	\$2,873	\$	\$2,873	\$14,577
Services	4,940	521		521	4,419
Materials and Supplies	183	35		35	149
Utilities	1				1
Insurance	2				2
Miscellaneous	1,628	157	300	457	1,170
Interest Expense					
Leases and Rentals	96	5		5	91
Total Annual Operating Budget	\$24,300	\$3,592	\$300	\$3,892	\$20,408

Contract Spending Plan	Prior Year Spending	Forecast 2017 Spending	Future Expenditures	Total
Ad Club Services	\$144	\$256	\$100	\$500

Contract Detail	Board Approved Contract Value	Contract Actuals to Date	Proposed Action	Proposed Revised Board Approved Contract Value
Ad Club				
Services	\$200	\$144	\$300	\$500
Contingency			-	-
Contract Amount - Total	\$200	\$144	\$300	\$500
Percent Contingency	0%	0%	0%	0%

Notes:

The 2017 Annual Operating Budget reflects the Adopted 2017 Budget.

SMALL BUSINESS/DBE PARTICIPATION, AND APPRENTICESHIP UTILIZATION

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBE’s Goals for participation were not established by Sound Transit for this procurement.)

PUBLIC INVOLVEMENT:

Not applicable to this action

TIME CONSTRAINTS

A one-month delay would restrict the agency's ability to advertise and market upcoming vacancies.

ENVIRONMENTAL REVIEW

JI 4/27/2017

LEGAL REVIEW

RM 4/27/2017

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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 contract amendment with Ad Club Services to provide recruitment advertising services for the agency in the amount of \$300,000, for a total authorized contract amount not to exceed \$499,999.

BACKGROUND:

After a competitive procurement, Sound Transit executed a contract with Ad Club Services in 2016 to place recruitment advertising in publications and on various websites, as well as provide Sound Transit with industry targeted niche packages to meet the needs to recruit for specialized skills and diversity. As an additional service, Ad Club maintains a database on all Sound Transit ads previously posted and expenditures.

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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 contract amendment with Ad Club Services to provide recruitment advertising services for the agency in the amount of \$300,000, for a total authorized contract amount not to exceed \$499,999.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 4, 2017.



Paul Roberts
Operations and Administration Committee Chair

ATTEST:



Kathryn Flores
Board Administrator