

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2007-14**

**Contract for Copy Center Services**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	1/18/07	Discussion/Possible Action	Kathy Johnson, Director, Corporate Communications <b>Ken Harvey, Program Manager</b>	(206) 398-5327  (206) 398-4919

<b>Contract/Agreement Type:</b>	<input checked="" type="checkbox"/>	<b>Requested Action:</b>	<input type="checkbox"/>
Competitive Procurement	<input checked="" type="checkbox"/>	Execute New Contract/Agreement	<input checked="" type="checkbox"/>
Sole Source	<input type="checkbox"/>	Amend Existing Contract/Agreement	<input type="checkbox"/>
Agreement with Other Jurisdiction(s)	<input type="checkbox"/>	Budget Amendment	<input type="checkbox"/>
Real Estate	<input type="checkbox"/>	Property Acquisition	<input type="checkbox"/>

**PROJECT NAME**

Copy Center Services

**PROPOSED ACTION**

Authorizes the chief executive officer to execute a three year contract with two one-year options to extend with IKON Office Solutions, Inc. to provide onsite copy center support personnel and services for a total authorized contract amount not to exceed \$3,100,000.

**KEY FEATURES of PROPOSED ACTION**

- The contract defines a scope of work necessary to support agency needs, providing a full range of in-house reprographic, copy services, and minor troubleshooting and maintenance on the agency's copier fleet.
- The contract includes the handling and forecast of expenses arising from outsourcing of copy or reprographic projects; selecting subcontractors, negotiating prices, and monitoring delivery schedules.
- The exercise of options for each additional year would be based upon agency need and vendor delivery of satisfactory service through contract period.
- Under this new contract, the Sound Transit Copy Center will be staffed with two full-time IKON on-site document specialists.

**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**

There are sufficient funds in the adopted budgets to complete this action. Budget for copy services is included within the departmental staff budgets, with in transit operations and with in project budgets. Costs for these services are charged to the departments or programs using the services at the time that the services are rendered, at which time adequacy of budget in that department or program is verified.

### **BUDGET TABLE**

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

Action Item: IKON Office Solutions, Inc

	(A) Current Approved Contract Value	(B) Spent to Date	(C) Proposed Action	(D) Proposed Total Contract Value
Contract Budget				
IKON Office Solutions Inc	-	-	3,100,000	3,100,000
Contingency	-	-	-	-
<b>Total</b>	-	-	<b>3,100,000</b>	<b>3,100,000</b>
Percent Contingency	-	-	0%	0%

Contract to be Charged to:

	2007 Staff Budget	Future Staff Budgets	Adopted Project Life Time Budgets	Direct Charges to Projects	Total
Printing Services	300,000	600,000		2,200,000	3,100,000

	2007 Board Adopted Staff & Project Budgets	Future Staff Budgets	Adopted Project Life Time Budgets	Total Budgets
Staff Budgets - Printing And Binding	300,000	600,000		900,000
Project Budgets - Phase 10			2,000,000	2,000,000
Phase II Planning			200,000	200,000
<b>Total Account</b>	<b>300,000</b>	<b>600,000</b>	<b>2,200,000</b>	<b>3,100,000</b>

Budget Shortfall

Level	\$	Revenues	Funding Source
NA	-	-	NA

#### **Notes**

- Budget for this item is in GSC Budget within the Executive department on page 173 in printing and binding of Proposed 2007 Budget Book.
- The project budgets are included within individual capital project budget of 2007 Proposed Budget Book.
- Budget for Phase II is included in Transit Vision section of the Proposed 2007 budget book on page 40.

## **SMALL BUSINESS PARTICIPATION**

### **Prime Contractor**

IKON is the prime contractor under this Agreement, which calls for the Vendor to attempt to perform 100% of the work required. This should be possible through the use of its on-site personnel and 60 satellite support centers around the Puget Sound. IKON was not required to submit a plan for Small Business participation based upon agency determination that subcontracting opportunities were improbable or extremely limited. However, in the event of subcontractor use for overflow and over-sized reprographic work, IKON will be required to

adhere to Sound Transit's policies and principles for maximizing subcontracting opportunities for disadvantaged and/or certified small businesses.

## **EEO COMMITMENT**

In its national workforce, IKON employs 31% People of Color and 36% Women. Based upon the August 2006 report from IKON Office Solutions, Inc., the company's workforce demographics in King, Pierce and Snohomish Counties, are 38% Women and 22% People of Color.

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

In April 2006, the Board approved a Copy Equipment and Services Contract. Staff committed to return to the Board after conducting a new vendor selection process specifically on In-House Copy Services. This action is based upon a vendor selection and contract award following that process.

### **Procurement of Copy Services**

The Copy Services Agreement provides the agency with a single point of contact for copy services.

Prior to October 2004, the copy center was staffed by Sound Transit employees. Outside copy services were obtained through various contracts with individual printing and reprographic vendors.

From a business perspective, the agreement provides a number of benefits to the agency, including:

- Rapid turnaround and scalability – The copy center staffing can be adjusted based upon agency demand, copier volumes, with much of the periodic overflow handled through IKON's satellite network of facilities without additional cost to the agency.
- Professional management and staffing between the hours of 7 a.m. – 6 p.m. weekdays.
- Single point of contact – agency staff interfaces with copy center personnel, who manage copy jobs and interface with outside copy vendors when necessary. Outside copy work is charged back to the agency at cost without mark-up from IKON.
- Rapid access to outside vendors when needed due to high volume, specialty requirements, or short deadlines.

Since the initiation of these in-house vendor services in 2004, the agency has not only reduced its reliance upon outside copy and reprographic services, it has been able to provide timely delivery of documents necessary to support planning, design and construction activities.

A forecast model for future agency needs has been constructed based upon a review of historical costs and anticipated Sound Transit administrative, project development, construction and transit operation activities for Sound Move through 2009.

## Prior Board/Committee Actions on this Project

Motion/Resolution Number and Date	Summary of Action
M2006-40 5/11/06	(1) Ratifying the Equipment Agreement with IKON Office Solutions for copiers; (2) ratifying the services Agreement with IKON Office Solutions for copier maintenance, supplies, and copy services; (3) approving an expenditure of \$1,805,000 for past costs incurred under the two agreements; (4) approving \$583,000 for copier maintenance and supplies over the remaining life of the copiers; and (5) approving \$275,000 for interim copy services until a competitive Request for Proposal process is completed.

### **CONSEQUENCES OF DELAY**

A delay will require the agency to continue its current month-to-month agreement with the present in-house copy services provider, IKON Office Solutions, Inc. to continue providing services until a contract has been executed.

### **PUBLIC INVOLVEMENT**

Not applicable to this action.

### **ENVIRONMENTAL COMPLIANCE**

Not applicable to this action.

### **LEGAL REVIEW**

JW 1/12/07

## **SOUND TRANSIT**

### **MOTION NO. M2007-14**

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a three year contract with two one-year options to extend with IKON Office Solutions, Inc. to provide onsite copy center support personnel and services for a total authorized contract amount not to exceed \$3,100,000.

#### **Background:**

In April 2006, the Board approved a Copy Equipment and Services Contract. Staff committed to return to the Board after conducting a new vendor selection process specifically on In-House Copy Services. This action is based upon a vendor selection and contract award following that process.

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**Motion:**

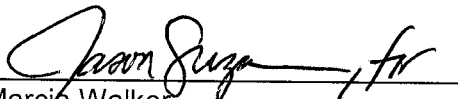
It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a three year contract with two one-year options to extend with IKON Office Solutions, Inc. to provide onsite copy center support personnel and services for a total authorized contract amount not to exceed \$3,100,000.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 18, 2007.



Fred Butler  
Finance Committee Chair

ATTEST:

  
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Marcia Walker  
Board Administrator