

**MOTION NO. M2018-129**
**Authorize Contract Amendment for Office Supplies**

<b>MEETING:</b>	<b>DATE:</b>	<b>TYPE OF ACTION:</b>	<b>STAFF CONTACT:</b>
Operations and Administration Committee	11/01/2018	Final Action	Tracy Butler, Chief Financial Officer <b>Michael Wong, GSC Operations Manager</b>

**PROPOSED ACTION**

Authorizes the chief executive officer to execute a contract amendment with Keeney's Office Supply Inc. to provide office supplies and copy paper for Sound Transit offices in the amount of \$175,000 for a new total authorized contract amount not to exceed \$374,000 plus applicable taxes.

**KEY FEATURES SUMMARY**

- Sound Transit currently has a contract with Keeney's Office Supply Inc. that was executed within the CEO's authority. This amendment would provide funding to extend the existing contract through June 30, 2019, during which time a new procurement will be undertaken.
- The contract with Keeney's Office Supply Inc. is a blanket contract for office supplies for all Sound Transit offices and field sites.
- Due to Sound Transit's growing employee numbers and the occupancy of new spaces, funding for this contract will run out before the end of the contract term.
- The requested additional amount covers the term through the extended period.
- Applicable taxes are currently estimated to be \$37,774.

**BACKGROUND**

The contract with Keeney's Office Supply, Inc. is a blanket contract through the National Cooperative Purchasing Alliance (NCPA). The contract currently expires on December 31, 2018.

The current contract will run out of funding before the end of the contract term. Increases in the number of Sound Transit employees and the addition of new office spaces has resulted in increased spending. Additional funds are needed to ensure purchasing capability through June 30, 2019. During the course of this extension, a competitive procurement will be completed for the next contract.

**PROCUREMENT INFORMATION**

The contract with Keeney's Office Supply Inc. is a blanket contract. The procurement method selected was a cooperative contract through National Cooperative Purchasing Alliance (NCPA) where American Office Products Distributors (AOPD) is the prime vendor. A dealer on the AOPD contract, Keeney's Office Supply Inc. has been successfully providing office supplies to Sound Transit through this contract and 11 previous contracts.

The NCPA contract with AOPD expires on May 30, 2020, with options to renew for five additional one-year periods. It was competitively procured in accordance with the State of Washington's cooperative purchasing requirements.

## FISCAL INFORMATION

The proposed action will amend the current contract by \$175,000 plus applicable taxes for a new total authorized contract amount not to exceed \$374,000 plus applicable taxes and will be funded from the material and supplies category within the Finance and Information Technology Department's annual operating budget. The material and supplies category budget is \$1,875,646 of which a total \$42,500 is estimated to be spent for this contract in 2018 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.

Funding for the additional year of the contract will be included in the 2019 annual budget request.

### Finance and Information Technology

(in thousands)

Cost Category	2018 Annual Operating Budget <sup>1</sup>	YTD Actuals <sup>2</sup>	This Action (Current Year Impact Only)	YTD Actuals Plus Action (Current Year Only)	Remaining Annual Operating Budget
Salaries and Benefits	\$27,467	\$17,402		\$17,402	\$10,064
Services	13,822	8,906		8,906	4,916
Materials and Supplies	1,876	1,644	43	1,687	189
Utilities	1,068	718		718	350
Insurance	8,533	5,883		5,883	2,650
Miscellaneous	430	403		403	27
Interest Expense	18	4		4	14
Leases and Rentals	466	412		412	54
<b>Total Annual Operating Budget</b>	<b>\$53,679</b>	<b>\$35,373</b>	<b>\$43</b>	<b>\$35,415</b>	<b>\$18,264</b>

Contract Spending Plan	Forecasted Spend for Remainder of			Total
	Spending to Date <sup>3</sup>	2018	Future Spending	
Keeney's Office Supply Inc	\$178	\$43	\$191	\$412

Contract Detail	Board Approved Contract Value	Proposed Action	Proposed Revised Board Approved Contract Value
Keeney's Office Supply Inc	\$199	\$175	\$374
Contingency			
Estimated Taxes	20	18	38
<b>Contract Amount - Total</b>	<b>\$219</b>	<b>\$193</b>	<b>\$412</b>
Percent Contingency	0%	0%	0%

#### Notes:

<sup>1</sup> 2018 Annual Operating Budget is located on page 25 of the Adopted 2018 Budget book.

<sup>2</sup> YTD Actuals as of September 30, 2018.

<sup>3</sup> Spending to Date as of September 30, 2018.

## SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

There was no Small Business goal for this piggyback contract. However, Keeney's Office Supply Inc. is a small, woman-owned business located in King County.

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Small Business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of Small Businesses/DBEs available to perform such subcontracting work.

Sound Transit determined that there were few Small Business and DBE subcontracting opportunities based upon the work described in this contract, so Small Business/DBE goals were not established.

**TIME CONSTRAINTS**

A delay in this action would limit the ability to efficiently purchase office supplies and copy paper until a new procurement has been solicited.

**ENVIRONMENTAL REVIEW**

KH 10/24/18

**LEGAL REVIEW**

AJP 10/25/18



**MOTION NO. M2018-129**

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 Keeney's Office Supply Inc. to provide office supplies and copy paper for Sound Transit offices in the amount of \$175,000 for a new total authorized contract amount not to exceed \$374,000 plus applicable taxes.

**BACKGROUND:**

Sound Transit currently has a contract with Keeney's Office Supply Inc. that was executed within the CEO's authority. This amendment would provide funding to extend the existing contract through June 30, 2019, during which time a new procurement will be undertaken.

The contract with Keeney's Office Supply, Inc. is a blanket contract through the National Cooperative Purchasing Alliance (NCPA). The contract currently expires on December 31, 2018.

The current contract will run out of funding before the end of the contract term. Increases in the number of Sound Transit employees and the addition of new office spaces has resulted in increased spending. Additional funds are needed to ensure purchasing capability through June 30, 2019. During the course of this extension, a competitive procurement will be completed for the next contract.

**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 Keeney's Office Supply Inc. to provide office supplies and copy paper for Sound Transit offices in the amount of \$175,000 for a new total authorized contract amount not to exceed \$374,000 plus applicable taxes.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on November 1, 2018.

  
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Paul Roberts  
Operations and Administration Committee Chair

ATTEST:

  
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Kathryn Flores  
Board Administrator