



OPERATIONS COMMITTEE  
FEBRUARY 16, 2000

**SUBJECT: CONTRACTS FOR OUTSIDE PRINTING SERVICES**

Metropolitan  
Transportation  
Authority

**ACTION: AWARD CONTRACTS FOR OUTSIDE PRINTING TO BROTHERS PRINTING & LITHOGRAPHY, DUAL GRAPHICS, GEORGE RICE & SONS, PACIFIC GRAPHICS, INC., PACIFIC PRINTING INDUSTRIES, AND PEAKS ASSOCIATES**

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Los Angeles, CA  
90012-2932

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### RECOMMENDATION

Authorize the Chief Executive Officer to execute six, three year, zero based, contracts to: Brothers Printing & Lithography, Dual Graphics, George Rice & Sons, Pacific Graphics, Inc., Pacific Printing Industries, and Peaks Associates, the highest rated proposers, to provide emergency, specialty, overflow outside printing services, for a combined total for all contracts in an amount not-to-exceed \$450,000.

### RATIONALE

The MTA requires the use of outside printing firms when the business necessity exceeds in-house resources. These printed materials include marketing materials, specialty and/or multi-color brochures, posters, bus cards, business forms, and other public literature essential to the accomplishment of MTA's mission. Experience has shown that peak demands at times exceed in-house capability. On these occasions, which may include extraordinary activity such as shake-up or openings, outside services may be utilized to ensure delivery of time sensitive materials.

The award of these contracts establishes a bench of qualified printing contractors which may be used to provide services as needed. This will enable MTA to issue individual task orders, which may exceed \$25,000, to members of the bench without formally advertising each job. Each printing task (specialty or emergency job) will be competed amongst the bench contractors. The firm which submits the lowest price quote and which can meet the Authority's turnaround/delivery requirements, will be awarded that particular job. This method has proven effective in the past in allowing the MTA the flexibility to obtain the needed services in a cost-effective and timely manner. No bench firm will receive more than \$99,999 over the life of the contract.

Prior to soliciting quotes from the outside printing bench, staff will evaluate the in-house production capabilities and if a determination is made that the services can not be produced in-house within specified time constraints, staff will proceed with selecting a bench contractor to perform the service.

### **FINANCIAL IMPACT**

Funding of \$150,000 for this service is included in the FY2000 budget in cost center number 6420, Printing Services, under project number 100001, General Overhead, and line item number 50315, Outside Printing Services. In FY99, \$150,000 was expended on this category. Since this is a multi-year contract, the cost center manager and Executive Officer will be accountable for budgeting the cost in future years, including any option exercised.

### **ALTERNATIVES CONSIDERED**

One alternative to using outside contractors is to increase MTA's internal capability to handle all printing requirements in-house. This alternative is not recommended since it would require extensive expansion of the Print Shop to include additional equipment for specialty printing which would require an increase in staff. This would not be a cost-effective alternative.

Another alternative would be to discontinue producing the bus and rail scheduling materials now required for bus operations, as well as the brochures and bus cards required to communicate with the MTA's bus and rail customers. This alternative is not recommended as the Agency has an obligation to communicate key transit information such as timetables, system maps, and safety guidelines, to public transit customers.

### **BACKGROUND**

Historically, the MTA's Print Shop has been quite effective in producing frequently required materials, such as time tables, business forms, and two-color marketing materials. However, there are certain occasions, namely the biannual shake-ups, that require printed materials in a volume and urgency that may exceed in-house capabilities.

There are also occasional marketing campaigns, such as those for the Hollywood and North Hollywood openings, that require large volumes of four-color or specialty materials that the Print Shop does not have the equipment to produce. For the past five years, the MTA has met these needs successfully by sending this work to the lowest priced, qualified outside printing firm. This contract will continue that practice in a formalized manner.

### **PROCUREMENT SUMMARY**

The RFP was advertised and issued on November 9, 1999. Vendor Relations sent out 203 post cards/notices of availability of RFP to printing firms in its database.

Sixty-four (64) RFP packages were requested and issued to outside printing firms which had expressed interest in providing the services.

Twelve (12) proposals were received on November 29, 1999. The proposals were evaluated by the Source Selection Committee on the basis of technical capability, ability to meet MTA turnaround requirements, and on pricing information provided. The six highest-rated firms were selected to meet the MTA requirements. For further details, see Attachment A, Procurement Summary.

### **COST/PRICE ANALYSIS**

Price reasonableness determinations will be made on a task by task basis from price competition among the firms included in the printing bench.

During the evaluation process each proposer was required to submit pricing related to sample printing jobs. The pricing was scored according to the firm offering MTA the lowest combined overall price for all sample jobs. The highest ranked proposers were recommended and included in the printing bench. The actual award of printing jobs will be determined based upon evaluation of competitive quotations submitted by firms included in the printing bench.

### **SMALL BUSINESS PARTICIPATION**

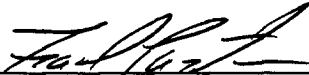
The Contract Compliance Unit waived the Voluntary Anticipated Levels of Participation (VALP) for participation by M/WBE firms on this contract due to size of contract or unknown availability of subcontracting opportunities. However, pursuant to the MTA Policy to afford an equal opportunity to minority and women-owned small business, if the awardee proposed to use the services of subcontractors, the awardee is encouraged to afford maximum opportunities to M/WBEs in all subcontractor and supply service areas. Upon MTA's request, awardee is encouraged to submit documentation to satisfy MTA that good faith efforts were made to utilize M/WBEs.

**ATTACHMENT(S)**

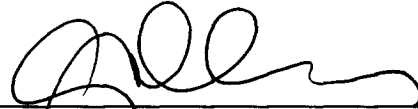
A. Procurement Summary

Prepared by: James A. Nolan  
Contract Administration

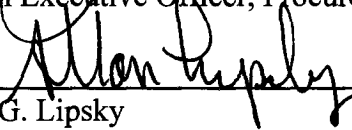
Irma Licea  
Chief Administrative Analyst



Frank Cardenas  
Executive Officer, Administration



Gwendolyn Williams  
Interim Executive Officer, Procurement



Allan G. Lipsky  
Office of the Chief Executive Officer

**Procurement: Outside Printing Services**  
**Board Date: February 24, 2000**

**BOARD REPORT ATTACHMENT "A"**  
**PROCUREMENT SUMMARY**  
**NEGOTIATED PROCUREMENT**

1.	Independent Estimate: \$115,785.00 (Hypothetical Composite= Annual Activity)	
2.	Recommended Vendors:	
	Name: Pacific Graphics	Name: Brothers Printing/Lithography
	City: Industry, CA	City: Sun Valley, CA
	Name: Pacific Printing Industries	Name: Peaks Associates
	City: Los Angeles, CA	City: Los Angeles, CA
	Name: George Rice & Sons	Name: Dual Graphics
	City: Los Angeles, CA	City: Brea, CA
	Total Dollar Amount: NTE \$450,000.00 for all contracts for three years.	
3.	Description of Contract Services: Outside Printing Services	
4.	Contract Type: Task Order Type= \$0.00 Based Contract	
5.	RFP Issued: 11/9/99	
6.	Advertise Date: 11/9/99	
7.	DBE Participation Goal: N/A=Waived	
	Responsive?: N/A	
8.	No. of Notifications Sent to Vendors (postcards): 203	
9.	No. of Proposals Picked up by Vendors: 64	
10.	Pre-proposal conference date: N/A	
11.	No. of proposals submitted: 12	
12.	Date proposals received: 11/29/99	
13.	Negotiation record: N/A-Each task order will be competed.	
	Proposer names/offer:	
	Brothers Printing & Lithography	Media X
	Dual Graphics	Unique Image, Inc.
	George Rice & Sons	A & R
	Pacific Graphics, Inc.	Ideal Printing
	Pacific Printing Industries	Compugraphics
	Peaks Associates	Castle Press
	Proposer BAFO: N/A	
	Recommendation: N/A	
14.	Protest Received: No	
15.	Disposition of Protest/Appeal:	
16.	Pre-Qualification Completed? N/A-Each contract will not exceed 90K based on historical data.	
17.	Conflict of Interest Certifications Submitted to Ethics? Yes	
18.	Audit Report Completed? N/A	
19.	EO Evaluation Completed? N/A	
20.	Contract Administrator: James A. Nolan	
	Tel: 213.922.1033	

21.	Project Manager: Mike Kennedy
	Tel: 213.922.4353

Concur: Tommy Williams  
Manager, Procurement

Concur: Ruth Holden  
Director, Procurement