



**FINANCE AND BUDGET COMMITTEE  
FEBRUARY 19, 2004**

**SUBJECT: CONTRACT PS0451101481  
OPTISOURCE TECHNOLOGIES, INC.**

**ACTION: AWARD CONTRACT FOR DATA IMAGING AND ARCHIVING  
SERVICES**

**RECOMMENDATION**

Authorize the Chief Executive Officer to award a five-year, indefinite quantity requirements - unit rate contract, Contract No. PS0451101481, to OPTISOURCE Technologies, Inc. for imaging and archiving accounting documents, in an amount not to exceed \$255,610 inclusive of two one-year options, effective March 1, 2004.

**RATIONALE**

This data imaging and archiving services implemented in Accounting since 1997 resolved long-standing audit criticisms regarding MTA's inability to locate service documents on a timely basis. With this state of the art technology, the Accounting Department's voluminous paper documents are now scanned for electronic filing and retrieval using the contractor's proprietary software. Accounting's response time to requests for documents from auditors and other departments has tremendously improved with the use of this service. Disruption of service will severely affect the timeliness of response to our customers and auditors, especially during year-end financial audit period.

**BACKGROUND**

The data imaging and archiving service was initially implemented in Payroll in 1997, in Accounts Payable in 1998, and expanded throughout Accounting in 2001. The service covers all payroll related documents, vendor/contractor invoices, fare media credit and collections documents, grant billings and all other accounting related paper documents.

**FINANCIAL IMPACT**

The funding of \$75,000 for this data imaging and archiving service is included in the FY2004 budget in Cost Center 5110, Accounting, under project number 10001, General Overhead. 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. In FY2003, \$105,000 was expended on data imaging and archiving project.

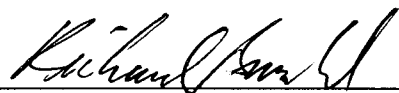
**ALTERNATIVES CONSIDERED**

An alternative considered, but not recommended, was to perform the imaging in-house. The hiring of personnel with the technical expertise, training and equipment required will be more costly for the MTA.

**ATTACHMENT(S)**

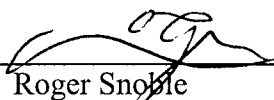
1. Board Report Attachment A, Procurement Summary

Prepared by: Josie V. Nicasio, Controller  
Phyllis Walker, Contract Administrator



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Richard Brumbaugh  
Chief Financial Officer



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Roger Snoble  
Chief Executive Officer

**BOARD REPORT ATTACHMENT A  
PROCUREMENT SUMMARY**

**DATA IMAGING AND ARCHIVING SERVICES**

1.	Contract Number: PS0451101481		
2.	Recommended Vendor: Optisource Technologies Inc		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$ 255,610	Recommended Price: \$ 255,610	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Indefinite Quantity Requirements - Unit Rate		
5.	Procurement Dates:		
	A. Issued: 11-5-03		
	B. Advertised: 11-6-03		
	C. Pre-proposal Conference: None		
	D. Proposals Due: 12-11-03		
	E. Pre-Qualification Completed: 12-17-03		
	F. Conflict of Interest Form Submitted to Ethics: 1-12-04		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: 0% DBE goal	Date Small Business Evaluation Completed: 1-13-04	
	B. Small Business Commitment: 0% Details are in Attachment A-2		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 131	Bids/Proposals Picked up: 66	Bids/Proposals Received: 8
8.	Evaluation Information:		
	A. Bidders/Proposers Names: Optisource Technologies, Inc. Matrix Imaging Document Control Solutions Data Microimaging Co. Wave Imaging Corp.	Bid/Proposal Amount: \$ 255,610 \$ 292,140 \$ 362,820 \$ 736,000 \$ 882,800	Best and Final Offer Amount: \$ Not Applicable
	B. Evaluation Methodology: Technically Acceptable Lowest Price Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: 2-23-04		
	B. Protest Receipt Date:		
	C. Disposition of Protest Date:		
10.	Contract Administrator: Phyllis L. Walker	Telephone Number: 213/922-1084	
11.	Project Manager: Susan Carias	Telephone Number: 213/922-6162	

**BOARD REPORT ATTACHMENT A-1  
PROCUREMENT HISTORY**

**DATA IMAGING AND ARCHIVING SERVICES**

**A. Background on Contractor**

Optisource Technologies, Inc.  
1855 W. Katella Avenue, Suite 170  
Orange, CA 92867

Optisource has been in business since 1995 providing services for data conversion and imaging, imaging hardware/software, user training and technical support.

Optisource has been providing services to the MTA for five years, currently under Contract PS51100970 and performance is satisfactory. They are currently providing or have previously provided services to Parker Hannifin Aerospace, Experian Information Systems and other organizations in the Southern California area.

**B. Procurement Background**

A Request for Proposal (RFP) was issued on a technically acceptable lowest price basis. Eight proposals were received in response to the RFP.

The Diversity & Economic Opportunity Department did not recommend a Disadvantaged Business Enterprise (DBE) participation goal.

**C. Evaluation of Proposals**

Technical qualifications of all eight proposers were evaluated on a Pass/Fail basis in accordance with the stated Evaluation Criteria to determine the technical acceptability of each proposer. Three firms did not meet the pass/fail criteria and were excluded from further consideration. Those firms that met the pass/fail criteria were considered for award based upon the lowest price. Optisource Technologies, Inc.'s proposal met all of the criteria and is recommended for award as the technically acceptable lowest priced firm.

**D. Cost/Price Analysis Explanation of Variances**

The recommended price has been determined to be fair and reasonable based upon a comparative price analysis. A comparison of the prices proposed by the technically qualified firms, the independent cost estimate and a random sampling of monthly actuals of the existing contract show that the price variances from this data ranged from \$36,000 to \$627,000 above the recommended award price over a five year period.

<b>Bid/Proposal Amount</b>	<b>MTA Estimate</b>	<b>Recommended/Negotiated Amount</b>
\$255,610	\$440,520	\$255,610

**BOARD REPORT ATTACHMENT A-2  
LIST OF SUBCONTRACTORS**

**DATA IMAGING AND ARCHIVING SERVICES**

**PRIME CONTRACTOR – Optisource Technologies, Inc**

Small Business Commitment

Other Subcontractors

None

None

Total Commitment 0%