



AGENDA REPORT

Meeting Date: April 22, 2010
Item Number: G-10
To: Honorable Mayor & City Council
From: Scott Miller, Director of Administrative Services and CFO
Noel Marquis, Assistant Director of Administrative Services - Finance
Subject: **APPROVALS RELATED TO VARIOUS CITY PURCHASING AND BUDGET TRANSACTIONS AS DESCRIBED HEREIN**

Item A. APPROVAL OF A CHANGE ORDER TO THE BLANKET PURCHASE ORDER TO GOVCONNECTION, INC. IN THE AMOUNT OF \$75,000 FOR COMPUTER EQUIPMENT REPLACEMENT, MISCELLANEOUS PARTS, SPARES AND INCIDENTALS, AS NEEDED FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$150,000

RECOMMENDATION

Staff recommends that the City Council approve a change order request to the blanket purchase order to Govconnection, Inc. in the amount of \$75,000 for a total not-to-exceed amount of \$150,000.

INTRODUCTION

On July 8, 2009, a blanket purchase order for \$75,000 was issued to GovConnection, Inc. for computer equipment replacement, miscellaneous parts, spares, and incidentals related to hardware, software, and infrastructure equipment pursuant to GSA Contract #GS-35F-0750P.

During the course of the fiscal year, citywide projects, including items on citywide work plans, and non-work plan items, have been purchased on an as needed basis. The items not included as citywide work plan purchases represent an increase in the anticipated purchases for as needed citywide computer related equipment. Due to this unanticipated purchase charged to the blanket purchase order, a change order is required to ensure the ability to procure required hardware, software and equipment for citywide work plans and projects as needed for the remainder of the fiscal year.

DISCUSSION

On February 17, 2010, the City requested informal bids for contract pricing for necessary hardware and infrastructure equipment related to a networking project for Beverly Hills Unified School District, pursuant to the joint powers agreement with the District (Agreement No. 526-08). The City selected the lowest bidder, DSW, with better-than-contract pricing, and proceeded with submission of the item for City Council approval.

On February 25, 2010, staff was informed by DSW that their quote was inaccurate, at which point they submitted a modified quote. However, the agenda item was already printed and delivered to the City Manager and City Council. As a result of the inaccurate bid submitted by DSW, and the bidder's inability to honor that quotation, staff was required to continue the purchases with the next lowest bidder.

The informal bids with contract or better-than-contract pricing received are:

Pricing Description	Part No. 16155	Part No. 10052	Sales Tax	Part No. 970104- X450A-24X	TOTAL
DSW Quote (error)	\$20,357.90	\$20,717.94	\$4,004.89	\$14,100.00	\$59,180.73
GovConnection, Inc.	\$26,443.90	\$26,876.88	\$5,198.78	\$14,997.00	\$73,516.56
Dell	\$27,521.19	\$28,878.34	\$5,498.95	\$12,620.45	\$74,518.93
Extreme Networks (WSCA)	\$29,233.75	\$29,750.50	\$5,750.96	\$15,187.50	\$79,922.71

The City notified GovConnection, Inc. of the error, and that the City would be purchasing the required equipment through GovConnection, Inc. To expedite the order and meet the anticipated deadlines under the Agreement with the District, staff authorized GovConnection, Inc. to place the order against the existing blanket purchase order, with the prospect of appropriate reimbursement from the BHUSD account.

Due to these unanticipated charges to the blanket purchase order, a change order is required for anticipated as needed purchases related to approved citywide work plans and projects for the remainder of the fiscal year.

The as needed purchases are part of the IT work plan for fiscal year 09/10 and funds are available for reimbursement in the Network and Communications account for BHUSD for CIP Equipment (\$74,518.93), and in the Computer Acquisition account for CIP Equipment (\$481.07).

The change order request of \$75,000 will bring the purchase order total to a not-to-exceed amount \$150,000.

FISCAL IMPACT

Funds were budgeted and are available in the Network and Communication/CIP (BHUSD4101503-85050) and CIP Equipment (31410329-85050) for this purpose.

Item B. APPROVE A PURCHASE ORDER IN THE AMOUNT OF \$65,172.37 TO RACEWAY FORD FOR THE PURCHASE OF A TRUCK MOUNTED VALVE OPERATOR VACUUM UNIT

RECOMMENDATION

Staff recommends that the City Council approve a purchase order to Raceway Ford in the amount of \$65,172.37 for the purchase of one (1) Truck-mounted Valve Operator/Vacuum Unit.

INTRODUCTION

Following an annual evaluation of the City's vehicle and equipment fleet, staff from the Fleet Services and the Water Distribution Maintenance Divisions have determined that a 1999 Chevrolet 3500 HD truck with a Pacific Tek Valve Operator/Vacuum Unit has exceeded its useful and economical life expectancy. Staff concurred with the crew's request to replace this piece of equipment with the latest model of the Pacific Tek's valve-operator machine. This upgrade will provide the crew with more flexibility due to its ability to reach further and cover a much wider area. With the crew's recommendation, purchasing staff assembled a bid, referred to as Bid 10-34 and conducted a formal-bid.

DISCUSSION

Bid 10-34 was opened by the City Clerk's Office on April 1, 2010 at 2pm. There were four (4) qualified proposals submitted. The summary of bids received is as follows:

VENDOR NAME	PROPOSED PRICE TO THE CITY
Fairway Ford	\$61,770.00
Los Angeles Truck Centers	\$68,433.20
Raceway Ford	\$59,373.00 + \$10.50 Tire Fee
Vista Ford/Lincoln	\$63,971.49

Staff recommends accepting the lowest responsible bid proposal submitted by Raceway Ford and approve a purchase order in a not-to-exceed amount of \$65,172.37 (including taxes) for one Truck-mounted Valve Operator/Vacuum Unit.

FISCAL IMPACT

Funds were budgeted and are available in the Vehicle Replacement Internal Service Fund (49-85050) for this purpose



Noel Marquis
Finance Approval



Scott G. Miller
Approved By