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DATE:

JUNE 1, 2006

TO:

BOARD OF DIRECTORS

FROM:

RICHARD D. THORPE

CHIEF EXECUTIVE OFFICER

ACTION:

RECEIVE AND FILE MONTHLY REPORT ON CONTRACTS

AUTHORIZED BY THE CHIEF EXECUTIVE OFFICER

RECOMMENDATION

Receive and File this monthly report on contracts approved by the Chief Executive Officer (CEO). The State legislation that created the Exposition Metro Line Construction Authority (Authority) granted the CEO authority to approve contracts and the Administrative Code specifically granted the CEO authority to approve contracts up to \$250,000. This report details contract awards for May, 2006.

SUMMARY

The CEO has entered into contracts for computer hardware, printers and faxes, network equipment, furniture and moving expenses for the 707 Wilshire building. The total amount of the contracts is \$193,648.55. Construction on the office space at the 707 Wilshire building is nearly complete. The Authority and the design/build contractor moved into the offices on May 15. The Authority was responsible for setting up computers and other hardware for Authority staff and providing furniture for the staff and design/build contractor.

DISCUSSION

A competitive procurement was conducted for computer hardware, printers and faxes for Authority staff and a total of four quotes were received for a total of 14 different items. The low bid for each item came in from two different vendors, both of which were under the fair cost estimate. Intelli-Tech was the low bidder

for computers for a bid of \$47,139.68, which was less than the fair cost estimate of \$50,775. Imprestechnology was the low bidder for printers and faxes with a bid of \$20,861.67 versus a fair cost estimate of \$22,280. All computers, printers and faxes were delivered and installed by May 16, 2006.

A competitive procurement for computer network equipment was conducted and four quotes were received. Imprestechnology was the low bidder with a price of \$47,395.55, which was less than the fair cost estimate of \$57,743.80. The network was installed and operating by May 16, 2006.

The Authority entered into a non-competitive (sole source) procurement with Herman Miller Furniture for the Authority offices. This Sole Source contract is with a contractor who has an existing contract with Metro, that was awarded though a competitive bid process. The Authority was able to take advantage of discounts offered and fixed within the current Metro contract with Herman Miller Workplace Resource. As a result, the Authority was able to realize a 59% discount for this furniture through the effective use of an existing Metro contract. The Authority also received documentation certifying that the Authority was being given pricing commensurate not only with Metro but with other agencies that selected Workplace Resource based on a competitive bid process. The total for this contract was \$76,131.65 which included all delivery, assembly, and installation of office furniture for the Authority offices.

Lastly, the Authority entered into a single source procurement for \$2,120 with Bekins to relocate Authority staff from the Gateway Building to the new offices at the 707 Wilshire building. This amount was under \$2,500 and considered a small purchase. The price was considered fair and reasonable.

FINANCIAL IMPACT

There is available funding in the FY06 budget to cover the cost of these contracts.

NEXT STEPS

The CEO will provide a monthly report to the Exposition Metro Line Construction Authority Board on contracts authorized under the CEO's authority.

ATTACHMENT(S)

None