

**City of Culver City, California
Agenda Item Report**

Meeting Date: 3/22/2010		Item Number: <u>C-4</u>	
CITY COUNCIL AGENDA ITEM: 1) Waiver of the Formal Competitive Bidding Procedures for the Purchase of Equipment; and 2) Approval of an Agreement with L.E.C. Service, Inc. to Replace the A/C Units Located in the Information Technology Department Data Center			
Contact Person/Dept.: Eric Mirzaian/PW John Richo/IT		Phone Number: (310) 253-6410 (310) 253-5950	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification (E-mail) Meetings and Agendas-City Council (03/17/10); L.E.C. Service, Inc. (3/15/2010)			
Department Approval: Charles D. Herbertson (03/11/10)		City Attorney Approval: Carol Schwab (by H. Baker) (03/17/10)	
Chief Financial Officer Approval: Mark Scott (by M. Noller) (03/17/10)		City Manager Approval: Mark Scott (03/17/10)	
<u>RECOMMENDATION:</u> Staff recommends that the City Council 1) waive the formal competitive bidding procedures for the purchase of equipment; and 2) approve an agreement with L.E.C. Service, Inc. in the amount of \$85,125.00 to replace the two existing air conditioning (A/C) units located in the Information Technology Department data center. <u>BACKGROUND:</u> The data center in the Information Technology Department has its own cooling system that is independent from the rest of City Hall. The A/C units in the data room provide climate control that is critical in preventing the temperature in the room from rising due to the heat generated by all the various computer servers and network equipment that are housed in the room. The equipment in the room requires a certain temperature at which to operate. Excessive heat in the room can impact the operating capability or otherwise damage the equipment housed in the room. The existing A/C units are the original units from when City Hall was first constructed. Over the years, the City's Information Technology Department has added more network servers in the room to allow for increased capacity and has upgraded to newer generations of technology. As a result, the existing A/C units can not provide adequate cooling to maintain the desired climate conditions in the room. Additionally, the existing A/C units have had a recent history of failures. Just last year, the condensers on both units malfunctioned. This malfunction required emergency repair work by in-house Public Works Staff. Taking into consideration the			

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recent malfunctions and added equipment in the room, it has become necessary to replace the existing A/C units with more efficient and powerful units.

DISCUSSION:

Public Works Staff received the following three quotes for this project:

L.E.C. Service, Inc.....	\$85,125.00
Honeywell Building Solutions.....	\$86,373.00
ACCO Engineered Systems.....	\$105,640.00

The quote submitted by L.E.C. Service Inc. includes the cost of the two new A/C units and all optional equipment that will be necessary for this work. One A/C unit will be replaced at a time to ensure continuous data center operation.

Culver City Municipal Code Section 3.07.065.D authorizes the City Council to waive the formal competitive bidding procedures for the purchase of equipment that is a component for a system of equipment previously acquired by the City and necessary to repair, maintain or improve the City's utilization of the equipment. The A/C units are part of an existing system and are necessary for the maintenance and improvement of that system. Therefore, an informal bidding process was used in which Staff requested three companies to supply a quote to perform the needed repairs. Staff believes that L.E.C.'s bid represents the best value for the City and therefore is recommending that the contract be awarded to L.E.C. Service, Inc.

FISCAL ANALYSIS:

There are sufficient funds available in the Computer Replacement Fund (30724100) to cover the requested replacement.

ATTACHMENTS:

1. Quote from L.E.C. Service, Inc.

MOTION:

That the City Council:

1. Waive the formal competitive bidding procedures for the purchase of equipment;
and
2. Approve an agreement with L.E.C. Service, Inc. in the amount of \$85,125.00 to replace the existing A/C units in the Information Technology Department data center; and,

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3. Authorize the City Attorney to review/prepare the necessary documents; and,
4. Authorize the City Manager to execute such documents on behalf of the City.