



2.15

DEPARTMENT OF
ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION

CITY OF SACRAMENTO
CALIFORNIA

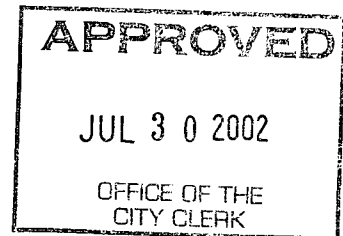
5730 24TH STREET
BUILDING FOUR
SACRAMENTO, CA
95822-5699

July 19, 2002
PS:Admin:02-45:RBH:CS:mh

PH 916-433-6240
FAX 916-399-0263

06 2002 - 130

City Council
Sacramento, California



Honorable Members in Session:

**SUBJECT: LEASE AND MAINTENANCE OF 9-1-1 COMMUNICATION CENTER
AUDIOLOG RECORDING SYSTEM IN A COMBINED TOTAL AMOUNT
NOT TO EXCEED \$104,713.44**

LOCATION AND COUNCIL DISTRICT: Citywide

RECOMMENDATION:

Staff recommends that the City Council adopt the attached Resolution which suspends formal competitive bidding for a 4-year lease of a Mercom audiolog recording system, accepts the results of an informal request for quotations, and authorizes the City Manager to execute the necessary lease agreement with Baruch & Company, 165 South Union Blvd., Lakewood, CO 80228, and to enter into a maintenance agreement for the equipment with US Audio, Inc., 2617 K Street, Suite 100, Sacramento, CA 95816, in a combined total amount not to exceed \$104,713.44.

CONTACT PERSONS: David Mori, Police Department Administrative Analyst, 264-5034
Chris Slay, Buyer II, 433-6344

FOR COUNCIL MEETING: July 30, 2002

SUMMARY:

The Police Department has a requirement to replace the existing 9-1-1 Communication Center audiolog recording system. This report recommends that City Council adopt the attached Resolution which suspends formal competitive bidding for a 4-year lease of a Mercom audiolog recording system, accepts the results of an informal request for quotations, and authorizes the City Manager to execute the necessary lease agreement with Baruch & Company, and to enter into a maintenance agreement for the equipment with US Audio, Inc., in a combined total amount not to exceed \$104,713.44.

BACKGROUND:

The current 9-1-1 Communications Center Dictaphone system has been in service since 1994, and dispatchers rely on the system to record approximately 1 million calls annually. Dispatchers are responsible for answering telephone calls from the general public for law enforcement, fire service, medical aid, as well as 9-1-1 emergency calls. In addition to Communications Center staff's use of the recorded calls for training and clarification purposes, last year more than one thousand requests came from various agencies and individuals for copies of the recorded calls. These requests were made by the City Attorney's Office, other City departments, Sacramento County Sheriff, District Attorney's Office, private attorneys, and private individuals, mainly as evidence in court cases.

The maintenance costs to keep the current Dictaphone Prolog system operating properly 24 hours a day, 7 days a week have steadily risen by 5% to 7% each year. The cost of the current annual maintenance contract is \$34,460 and after searching for alternative solutions, the Police department determined that a lease program would save money and offer a reliable and efficient system for the 9-1-1 Communication Center.

In December of 2001, the Police Department solicited informal competitive quotations for the replacement of the Dictaphone Prolog recording system currently in use. The cost of the proposed system was expected to total less than \$100,000 and thus the informal request for quotations process was appropriate. When the quotations were received and evaluated, it was determined only one of the three responding vendors offered a system that met all Communications Center requirements. That system, a Mercom audiolog recording system, was proposed by Randstad Communication with a lease through their leasing agent, Baruch & Company, and maintenance through U.S. Audio, Inc. The total annual expenditure for the new system, including lease payments and maintenance costs will be \$26,178.36, for a total of \$104,713.44 over the four-year lease term.

Based on the needs of the 9-1-1 Communications Center and the results of the informal request for quotations, staff recommends that City Council adopt the attached Resolution which suspends formal competitive bidding for a 4-year lease of a Mercom audiolog recording system, accepts the results of an informal request for quotations, and authorizes the City Manager to execute the necessary lease agreement with Baruch & Company, and to enter into a maintenance agreement for the equipment with US Audio, Inc., in a combined total amount not to exceed \$104,713.44.

FINANCIAL CONSIDERATIONS:

Sufficient funds are available in the FY02/03 Police Communications operating budget for lease and maintenance of the audiolog system.

ENVIRONMENTAL CONSIDERATIONS:

The current project has been determined to be exempt from the requirements of the California Environmental Quality Act (CEQA), under Section 15061(b)(3), which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The current proposal involves only the lease and maintenance of an audiolog communication system for use by City police personnel. Therefore, it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

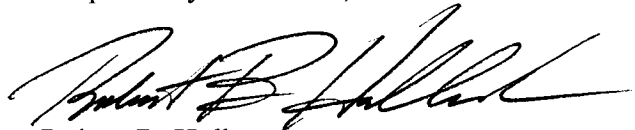
POLICY CONSIDERATIONS:

The recommendations in this report are in accordance with provisions of the City Code Section 3.56.230(C), which authorizes suspension of formal competitive bidding upon a two-thirds vote of the City Council.

ESBE CONSIDERATIONS:

Requests for Quotation were sent to three vendors, one of which is certified as an Emerging or Small Business Enterprise (ESBE). Randstad Communications and Baruch and Company are not ESBE certified firms. US Audio is a State of California certified small business firm.

Respectfully Submitted,



Robert B. Holbrook
Procurement Services Manager

RECOMMENDATION APPROVED:



ROBERT P. THOMAS
City Manager

2 Attachments

FILE 1881 - 9-1-1 COMMUNICATION CENTER AUDIOLOG SYSTEM

Bidder	4-Year Lease/Purchase	4-Year Maintenance Service	Total (less Sales Tax)	5% E/SBE Preference	Prompt Payment Discount	1 % City Tax Preference	Evaluation Total
Baruch & Company ⁽¹⁾	\$86,312.44	\$12,000.00	\$98,312.44	None	None	None	<u>\$98,312.44</u>
Dictaphone Corporation	\$80,145.32	\$22,700.00	\$102,845.32	None	None	None	\$102,845.32*
US Audio	\$81,053.09	\$23,200.00	\$104,253.09	<\$5,212.66>	None	<\$1,042.53>	\$97,997.90*

* System offered does not meet specifications - unable to provide an instant recall feature for the recording system.

Award of Contracts To: Baruch & Company (lease)
⁽¹⁾(Leasing Agent for bidder
 Randstad Communication)

Total Amount of Contracts: \$104,713.44 (including sales/use tax)

Total Bid Amount: \$104,713.44 (including sales/use tax)

U.S. Audio, Inc. (maintenance)

Bid Due Date: December 2001

Using Department: Police Department, 9-1-1 Communications Center

Original Estimated Cost: \$90,000.00

Total No. of Bids Solicited

3

No. of E/SBE Bids Solicited

1

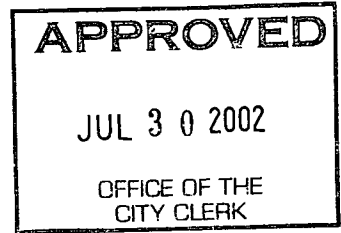
No. of E/SBE Responses

1

Award to E/SBE Vendor?

No

(7)



RESOLUTION NO. 2002-509

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

A RESOLUTION SUSPENDING FORMAL COMPETITIVE BIDDING FOR THE LEASE AND MAINTENANCE OF 9-1-1 COMMUNICATION CENTER AUDIOLOG SYSTEM

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

1. In the best interest of the City of Sacramento, formal competitive bidding is hereby suspended for the lease and maintenance of a 9-1-1 Communication Center audiolog system, and;
2. The results of informal competitive quotations solicited by Police Communications staff are hereby accepted; and
3. The City Manager is hereby authorized to execute a lease agreement for a Mercom audiolog system with Baruch & Company, 165 South Union Blvd., Lakewood, CO 80228, the authorized leasing company for Randstad Communications, in a total amount not to exceed \$91,783.44; and
4. The City Manager is hereby authorized to enter into a maintenance agreement after year one of the above lease agreement, with US Audio, Inc., 2617 K Street, Suite 100, Sacramento, CA 95816, the authorized maintenance service provider for Randstad Communications, in total amount not to exceed \$12,930 for the remaining term of the lease.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____



2.15

**OFFICE OF THE
CITY ATTORNEY**

SAMUEL L. JACKSON
CITY ATTORNEY
WILLIAM P. CARNAZZO
CHIEF ASSISTANT CITY ATTORNEY
RICHARD E. ARCHIBALD
ASSISTANT CITY ATTORNEY
SUPERVISING DEPUTY CITY ATTORNEYS
SANDRA G. TALBOTT
ROBERT D. TOKUNAGA
SUSANA ALCALA WOOD

**CITY OF SACRAMENTO
CALIFORNIA**


980 NINTH STREET, TENTH FLOOR
SACRAMENTO, CA 95814-2736
PH 916-264-5346
FAX 916-264-7455

July 5, 2002

DEPUTY CITY ATTORNEYS
DIANE B. BALTER
ANGELA M. CASAGRANDA
JOSEPH P. CERULLO
CHRISTA DARLINGTON
PAUL A. GALE
GERALD C. HICKS
STEVEN Y. ITAGAKI
STEVEN T. JOHNS
H. MICHON JOHNSON
MARCOS A. KROFF
JOHN M. LUEBBERKE
GUSTAVO L. MARTINEZ
JOE ROBINSON
MATTHEW D. RUYAK
DEBORAH R. SCHULTE
MICHAEL T. SPARKS
STEPHEN P. TRAYLOR
LAN WANG
BRETT M. WITTER

MEMORANDUM

TO: Chris Slay, Buyer II

FROM: Samuel L. Jackson, City Attorney
Shana S. Faber, Senior Deputy City Attorney
Steven Y. Itagaki, Deputy City Attorney 

RE: Lease Agreement with Baruch and Company

Attached are the copies of the finalized Lease Agreement with Baruch and Company. Please process the agreements for the necessary signatures. Once all of the other requirements of the contract are completed, forward the contracts and other necessary documents to my attention for approval "as to form" and execution of the Opinion of Lessee's Counsel.

If you have any questions, or concerns, please do not hesitate to call.

SYI/aw
Attachment

B A R U C H A N D C O M P A N Y

MUNICIPAL
INVESTMENTS

July 2, 2002

Steven Itagaki
City of Sacramento
980 Ninth St, 10th Floor
Sacramento, CA 95814

Dear Mr. Itagaki:

Enclosed are two (2) original sets of lease documents for City of Sacramento. I have included this closing summary to facilitate your execution of these documents. All areas needing signatures, dates, etc. have been indicated by a red "✓" check. Please read documents carefully to ensure all spaces have been filled in. **Return all documents to my attention, except for Exhibit F: Acceptance Certificate, which should be retained until you take final delivery of the Mercom Audiolog 40 Channel Digital Recorder.** If final delivery has already taken place please forward Exhibit F with the rest of the package.

If you have any questions do not hesitate to call. We appreciate this opportunity to serve City of Sacramento and look forward to providing more financial services in the future.

Sincerely,

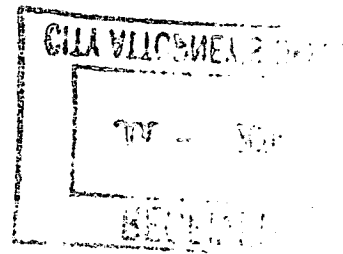


Wendy Monroe
Document Specialist

Enclosure

165 South Union Blvd
Suite 450
Lakewood, CO 80228
www.baruchandcompany.com

303 988 5800
303 988 6300 fax



CLOSING DOCUMENTATION REQUIREMENTS

We are pleased to offer our financial services to you. In order to complete this transaction for funding, the following information must be provided:

Agreement:

Contract must be executed by the properly authorized person on behalf of the Lessee. Please supply printed names, titles, and witnessing signatures. Return originally executed documents. **Be sure to have required signatures "Attested to" where requested.**

Exhibit A: Resolution of Governing Body Extract of Minutes

States that all necessary steps have been taken by the Lessee to acquire Equipment and who will execute the Agreement.

Exhibit B: Opinion of Lessee's Counsel

Opines to certain aspects of the Lease, including that the Lease is a legal, valid municipal obligation. The opinion must be provided on Attorney's Letterhead and dated as of the day of the Agreement OR LATER.

Exhibit C: Certificate of Lessee

A certificate evidencing an elected official or group of officials' term in office or a certificate evidencing the authority of the signator to execute a lease and supporting documents. It also briefly states why the equipment is needed and the functions such equipment will perform.

Exhibit D: Equipment Description

Make, model, serial numbers and location of Equipment should be included. If they do not appear, please type them in the exhibit.

Exhibit E: Payment Schedule

Payment amounts, due dates, repayment terms and purchase options are noted.

Exhibit F: Acceptance Certificate

This document is to be signed upon delivery and acceptance of the Equipment.

Exhibit G: Insurance Requirements

Provide evidence of insurance coverage with Lessor as loss payee and additional insured. If the Lessee is self-insured, please provide a letter accepting full responsibility for loss, damage and liability.

OTHER DOCUMENTS INCLUDED WITH CLOSING PACKAGE

- (1) Uniform Commercial Code Financing Statement (UCC-1):** Please fill in required information
- (1) IRS Form 8038-G:** Please sign where indicated and fill in the Lessee's Tax ID Number
- (1) Lessee's Fact Sheet:** Please fill in all information

LESSEE'S FACT SHEET

Please fill in ALL of the following questions and return this form to us along with the lease documents:

1. Name of Lessee: _____

2. Equipment Location address: _____

3. County equipment is located in: _____

4. COMPLETE BILLING ADDRESS: _____

5. Send bills to the ATTN: of: _____

6. Most convenient billing date(s): _____

7. Name of person who issues payment: _____

8. Phone number of person in #5: _____

9. Has ALL equipment been delivered
and in proper working order: _____
(yes or no)

10. Tax ID number: _____

11. Fiscal year end: _____