



APPROVED
BY THE CITY COUNCIL
AUG 26 1997
OFFICE OF THE
CITY CLERK

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DEPARTMENT OF
FINANCE
PROCUREMENT SERVICES DIVISION

CITY OF SACRAMENTO
CALIFORNIA

5730 - 24TH STREET
BUILDING FOUR
SACRAMENTO, CA
95822-3699

August 26, 1997

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City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: ADOPTION OF SPECIFICATIONS AND AWARD OF BID NO. 1754 FOR RADIO EQUIPMENT SERVICES IN A TOTAL AMOUNT NOT TO EXCEED \$250,000.00 PER CONTRACT YEAR

LOCATION AND COUNCIL DISTRICT: City-wide - All Districts

RECOMMENDATION:

Staff recommends that the City Council adopt specifications and accept the lowest responsible bid for the contract resulting from Bid No. 1754 (including Supplement to Contract) for Radio Equipment Services. Award is recommended to Motorola Communications & Electronics, Inc. in a total amount not to exceed \$250,000.00 per contract year.

CONTACT PERSONS: Richard Daniels, Communications Manager, 264-8512
Ronald Costa, Communications Consultant, 264-8514

FOR COUNCIL MEETING OF: August 26, 1997

SUMMARY:

Attached is a tabulation of sealed proposals received by the City Clerk for providing maintenance, repair, installation, and removal of police, fire, and general government communications equipment in accordance with the specifications used in the bidding process, and recommendation for award of Bid No. 1754 (including Supplement to Contract) for Radio Equipment Services. Award is recommended to Motorola Communications and Electronics, Inc., in a total amount not to exceed \$250,000.00 per contract year.

BACKGROUND:

Staff recently solicited formal competitive bids, which were opened by the City Clerk on June 25, 1997, for establishment of a new contract that will provide for maintenance of both existing conventional radio equipment and the new 800 MHz trunked radio system equipment. Services will include maintenance,

repair, installation, and removal of police, fire, and general government communications equipment and systems. The bid specifications call for an initial one-year contract period with four successive one-year contract periods, for a total potential contract life of five years.

For bid evaluation purposes, existing inventories of radio equipment were utilized in the pricing sheets. Motorola Communications & Electronics, Inc. submitted the lowest responsible bid, as shown on the attached bid tabulation sheet (Attachment 1). Theirs was the lowest responsible bid when viewed year-by-year and in the five-year aggregate. Based on their bid, City costs for maintenance of the subject radio equipment will decrease from about \$30,000 per month currently to less than \$20,000 per month under the new contract. The lower cost is due in part to the fact that much of the City's equipment is now newer (with the advent of the 800 MHz system) and thus requires less maintenance. Additionally, during the first year of the contract, some of the equipment will remain under manufacturers' warranties which will cover needed repairs. Because the actual inventory of equipment is constantly changing and will vary over the life of the contract, actual contract costs will vary accordingly. Therefore, staff recommends that the Council award the contract resulting from Bid No. 1754 (including Supplement to Contract) to Motorola Communications & Electronics, Inc., in a total amount not to exceed \$250,000.00 per contract year, or other amount as may subsequently be budgeted and approved by the City Council during the five-year contract term. This will allow for uninterrupted maintenance services on an as-needed basis to accommodate changes and growth over the life of the contract.

FINANCIAL CONSIDERATIONS:

This contract will result in a significant reduction in the cost of radio equipment services. Expenditures in recent years have averaged about \$30,000 per month, compared with the projected costs of less than \$20,000 per month under this contract. First-year costs (during FY-98) are anticipated to be less than \$150,000 since a significant amount of equipment will be under factory warranty. Funds for the subject radio equipment services are included in the departmental budgets, and no budget augmentations are requested. The savings under the contract will accrue to the individual departmental budgets.

ENVIRONMENTAL CONSIDERATIONS:

Ongoing administrative and maintenance activities, such as purchase of supplies, equipment or materials which are not made for purposes of a public works construction project, do not constitute a "project" and are exempt from the California Environmental Quality Act (CEQA). CEQA Guidelines, Sections 15061(b)(1), 15378(b)(3).

POLICY CONSIDERATIONS:

The recommendations in this report are in accordance with the provisions of Title 57 of the Sacramento City Code.

MBE/WBE EFFORTS:

Requests for bid were sent to thirteen prospective bidders, six of which were identified as minority/women business enterprise (M/WBE) firms. Of the five responses received, none was from an M/WBE firm, with

the exception of a "no bid" response from one M/WBE firm. The firm recommended for award, Motorola Communications & Electronics, Inc., is not an M/WBE firm.

Respectfully Submitted,



Robert B. Holbrook
Procurement Services Manager

RECOMMENDATION APPROVED:



WILLIAM H. EDGAR
City Manager

2 Attachments

Bid Tabulation
Bid No. 1754 - Radio Equipment Services

Bidders →	Motorola Communications & Electronics	Delta Wireless	ComTech	Mobile Radio Engineers	Edwards Office Systems
Evaluation Items					
FY-98 (10 months)	119,752.50	209,445.00	226,395.00	300,399.00	No Bid
FY-99 (12 months)	183,265.50	278,363.00	327,472.00	361,418.80	No Bid
FY-00 (12 months)	191,751.00	284,227.20	339,090.00	374,016.00	No Bid
FY-01 (12 months)	191,751.00	284,227.20	339,090.00	374,016.00	No Bid
FY-02 (12 months)	191,751.00	284,227.20	339,090.00	374,016.00	No Bid
FY-03 (2 months)	31,958.50	47,371.20	56,515.00	62,336.00	No Bid
<i>Five-Year Total</i>	<i>910,229.50</i>	<i>1,387,860.80</i>	<i>1,627,652.00</i>	<i>1,846,201.80</i>	<i>No Bid</i>
M/WBE Bid Evaluation Pref.	No	No	No	No	Yes
Local Business Tax Pref.	N/A	N/A	N/A	N/A	N/A
Prompt-Payment Discount	Net 30	Net 30	Net 30	Net 30	N/A
Bid Evaluation Total	\$910,229.50	\$1,387,860.80	\$1,627,652.00	\$1,846,201.80	No Bid

Award of Contract to: Motorola Communications & Electronics, Inc.
1700 So. Amphlett Blvd., Ste. 300
San Mateo, CA 94402

Amount of Contract: Not to Exceed \$250,000/contract year
(\$1,250,000.00 - 5-years)

Using Department: Communications Division, for all City departments

Total Bid Amount: \$910,229.50 (5-years)

Bid Due Date: June 25, 1997

Original Estimated Cost: \$1,800,000.00 (5-years)

Total No. Of Bids Solicited

No. of M/WBE Bids Solicited

No. Of M/WBE Responses

Award to M/WBE Vendor?

13

6

1

No

**SUPPLEMENT TO CONTRACT FOR RADIO
EQUIPMENT SERVICES, BID NUMBER 1754**

The City of Sacramento ("City") and Motorola, Inc. ("Contractor") agree to modify the Contract for Radio Equipment Services, Bid Number 1754, as follows:

1. On Page 9, delete Paragraph 6 and replace with the following:

6. Hold Harmless Agreement.

a. Personal Injury and Property Damage: Contractor hereby agrees to, and shall, fully indemnify, hold harmless and defend City, its elective and appointive boards, commissions, officers, agents and employees from all claims, demands, suits, actions, damages or other liability for any injury or damage to persons or property occurring by reason of anything done or omitted to be done in performing the work under the Contract, whether such actions or omissions be by Contractor or by any of Contractor's subcontractors, or by any persons or person directly or indirectly employed by, or acting as agent for, Contractor or any of Contractor's subcontractors. The Contractor's obligation to indemnify City shall be effective even if City is guilty of negligence or misconduct that contributes to the damages claimed; provided that if a final decision or judgment allocates liability by determining that any portion of damages awarded is attributable to the City's negligence or misconduct, the City shall pay the portion of damages which is allocated to the City's negligence or misconduct; provided further that in no event shall the City be liable for any passive negligence of the City, its officers or employees in supplying or approving any plans and/or specifications for the work under the Contract. This indemnity will not extend to claims, demands, liability or expense arising out of the sole negligence or sole willful misconduct of the City.

b. Breach of Contract: Contractor hereby agrees to, and shall, indemnify, hold harmless and defend City, its elective and appointive boards, commissions, officers, agents and employees from all claims, demands, suits, actions or other liability for any general damages occurring by reason of any breach of the Contract by Contractor, provided that Contractor's total liability under this subsection (b) shall be limited to the amount paid to Contractor for twelve (12) months of services under this Contract. Contractor shall not be liable for any special or consequential damages resulting from any breach of the Contract by Contractor.

c. Additional Provisions: The City does not, and shall not, waive any rights against Contractor which it may have by reason of subsections (a) and (b), above, because of the existence or acceptance by City of the insurance policies described in this Contract. Subsections (a) and (b), above, shall apply regardless of whether City has prepared, supplied, or approved of plans and/or specifications for the work under the Contract, and regardless of whether any insurance policies shall have been determined to be applicable to any claims or damages. The provisions of this Section 6 shall survive any termination of the Contract.

2. On page 37, delete "Copyrights and Patents," and replace with the following:

COPYRIGHTS AND PATENTS

Contractor agrees to defend, at its expense, any suits or claims brought against City based upon a claim that any products or services furnished under this Contract infringe a patent, copyright or other intellectual property right. Contractor agrees to pay all costs and damages finally awarded in any such suit or claim, provided that Contractor is notified promptly in writing of the claim and at Contractor's request and expense Contractor is given control of the suit and all requested assistance for its defense.

3. Add the following provisions to Page 38:

LIMITATION OF LIABILITY

Contractor's total liability to City for any direct damages, other than liability for any injury or damage to persons or property, shall be limited to the amount paid to Contractor for twelve (12) months of services under this Contract. Contractor's total liability to City for any indirect, incidental or consequential damages for any injury or damage to persons or property shall be limited to the amount paid to Contractor for twelve (12) months of services under this Contract. Except as provided in the foregoing sentence, and notwithstanding any other provision of this Contract to the contrary, Contractor shall not be liable to City for any indirect, incidental or consequential damages.

WARRANTY

Except for its obligation to fully perform all services and other obligations specified in this Contract, the Contractor disclaims all warranties, express and implied; provided that this disclaimer shall not affect any warranties provided to City pursuant to any other contract or agreement.

ENTIRE AGREEMENT

This Contract consists of the Request for Bids, the Bid submitted by Contractor (excluding the 2 page document entitled "Exceptions, Clarifications, & Additions"), the General Conditions and Instructions to Bidders, Addendum No. 1, the Technical Specifications, the General Conditions, the documents entitled "Items Requiring Bidder Response", "Required Submittals", and "Insurance Provisions", as supplemented and modified by this Supplement, and any attached Schedules or Exhibits, which together constitute the final expression of the agreement between the parties, and supersede all previous agreements and understandings, whether written or oral, relating to the work. As noted above, this Contract does not include the modifications proposed in Contractor's bid as set forth in the 2 page document entitled "Exceptions, Clarifications, & Additions."

AMENDMENTS

Except as provided otherwise in the Contract, the Contract may not be altered, amended, or modified except by written agreement signed by a duly authorized representative of each party.

FORCE MAJEURE

Neither party shall be responsible for delays or lack of performance resulting from acts beyond the party's reasonable control, including, but not limited to, acts of God, fire, strikes, riots and acts of war.

Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Contract, as supplemented and modified by this Supplement.

Dated: 7/31, 1997.

CONTRACTOR

Motorola, Inc.
By: [Signature]
Title: Market Manager

Dated: _____, 1997.

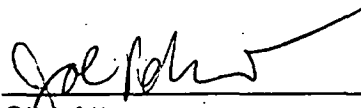
CITY OF SACRAMENTO

Attest:

By: _____

By: _____
City Clerk.

Approved as to Form:

By: 
City Attorney