

BEFORE THE
METROPOLITAN SERVICE DISTRICT CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AUTHORIZING AN)	RESOLUTION NO. 88-1014
EXEMPTION TO THE PUBLIC CONTRACT-)	
IN PROCEDURE SET OUT IN METRO CODE)	Introduced by the
SECTION 2.04.010 ET SEQ. FOR THE)	Executive Officer
PURCHASE OF A PRODUCTION COPIER)	
AND TELEPHONE SWITCH UPGRADE)	

WHEREAS, The Metropolitan Service District is in need of purchasing a production copier and telephone switch upgrade to serve Metro's support service needs; and

WHEREAS, There currently exists an exemption (in Metro Code Section 2.04.041(b)(8)) to the competitive bidding process for the acquisition of computer equipment (hardware) but none exists for technical equipment; and

WHEREAS, It would be appropriate, due to the technical nature of the equipment, to allow for an exemption from competitive bidding in this instance for the purchase of a production copier and telephone switch upgrade; and

WHEREAS, Metro Code Section 2.04.041(c) allows an exemption to the competitive bidding process upon findings: 1) that it is unlikely that such exemption will encourage favoritism or substantially diminish competition; and 2) that awarding the contract pursuant to the exemption will result in a substantial cost savings to Metro considering appropriate factors; and

WHEREAS, It is unlikely that an exemption will encourage favoritism or substantially diminish competition because: 1) an RFP process will be utilized for the purchase of this equipment, 2) the invitation to submit proposals will be advertised, 3) RFPs will be sent to all known vendors of the type of equipment needed, and 4) cost will


be a factor in the selection of the equipment; and

WHEREAS, The exemption will result in substantial costs savings to Metro because 1) awarding the contract pursuant to strict competitive bidding could likely result in a greater long-term cost to Metro considering such factors as equipment and vendor reliability, 2) the total cost of hardware, and installation training will be a significant factor in the selection process, and 3) the purchase of this type of technical equipment does not lend itself to the low bid process due to the many unquantifiable factors which must be considered including quality of products which will determine long-term costs to Metro; now, therefore,

BE IT RESOLVED,

That an exemption from the competitive bidding process is hereby granted for the purchase of a production copier and telephone switch upgrade because the Metropolitan Service District Contract Review Board finds that the requirements of Metro Code Section 2.02.041(c) have been met.

ADOPTED by the Metropolitan Service District Contract Review Board this 22nd day of November, 1988.



Mike Ragsdale
Presiding Officer

JM/vl

COMMITTEE REPORT

Agenda Item No. 7.4

Meeting Date November 22, 1988

CONSIDERATION OF RESOLUTION NO. 88-1014 AUTHORIZING AN
EXEMPTION TO THE PUBLIC CONTRACTING PROCEDURE, METRO CODE
SECTION 2.04.010 ET. SEQ. FOR THE PURCHASE OF A PRODUCTION
COPIER AND TELEPHONE SWITCH UPGRADE

Date: November 21, 1988 Presented by: Councilor Tanya Collier
Chair, Finance Committee

COMMITTEE RECOMMENDATION

Committee members present -- Councilors Coleman, DeJardin, Gardner, Van Bergen and myself -- voted unanimously to recommend Council adoption of Resolution No. 88-1014.

COMMITTEE DISCUSSION & ISSUES

Metro's Support Services Supervisor, Judy Munro, presented the resolution and staff report, noting that funding for the production copier and telephone switch was budgeted this year under General Fund Management Services leased funds. Lease payments would be made over a five year period. Total 5 year costs are estimated at \$60,000 for the copier and \$20,000 for the telephone switch upgrade.

Responding to Committee questions, Ms. Munro explained an RFP process to purchase this equipment was needed to ensure certain minimum quality standards were met, such as vendor support and maintenance and service options. General Counsel had advised Ms. Munro a bidder pre-qualification process could also be used to achieve similar results as an RFP process.

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STAFF REPORT

Agenda Item No. 7.4

Meeting Date November 22, 1988

CONSIDERATION OF RESOLUTION NO. 88-1014 FOR THE
PURPOSE OF AUTHORIZING AN EXEMPTION TO THE PUBLIC
CONTRACTING PROCEDURE SET OUT IN METRO CODE
SECTION 2.04.010 ET SEQ. FOR THE PURCHASE OF
A PRODUCTION COPIER AND TELEPHONE SWITCH UPGRADE

Date: November 15, 1988

Presented by Judy Munro

FACTUAL BACKGROUND AND ANALYSIS

The 1988-89 adopted budget includes the acquisition of a production copier and a telephone switch upgrade. The telephone switch upgrade will increase the capacity of the telephone system at Metro Center. The current system, is at its maximum capacity which means that no additional telephones or trunk lines may be added. The production copier will supplement the 10 year old press that has been handling our daily bulk printing needs. The current equipment is very slow and does not produce a consistent, quality, product.

The current contract rules recognize that the computer hardware selection process needs some flexibility to assure that Metro can properly evaluate the equipment and to optimize the benefit for Metro. This equipment with many technical variables is just as difficult to specify as computer hardware. In both cases, subjective criteria will be applied to the selection. If this equipment is purchased from the lowest bidder, the selection may not take into account maturity of the product and vendor, ease of installation, ongoing support costs and compatibility with agency goals such as encouraging the use of recycled paper.

Our strategic plan for purchasing these pieces of equipment is to identify certain minimum requirements which can be provided by more than one vendor. These minimum requirements include equipment, supplies and maintenance costs. Additionally, we have identified other features and criteria for further evaluation.

Request For Proposals (RFP's) will be sent to all potential vendors. The leading respondents; those meeting minimum standards, would then be rated for certain equipment and vendor performance standard.

This process would yield the most cost effective, value based assessment.

The benefit to Metro is that the value of the new equipment will be based not only on cost and minimum requirements, but also on optional features and performance. The process of acquisition is consistent with other RFP's.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 88-1014.

JM/vll