

Agenda Report

Date: November 14, 2005

To: City Council

From: City Manager

Subject: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT IN AN AMOUNT NOT TO EXCEED \$325,000 WITH M3, INC FOR OFFICE SYSTEMS FOR POWER DELIVERY BUSINESS UNITS OF PASADENA WATER AND POWER

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the Purchasing Administrator to issue a purchase order to M3, Inc. in an amount not to exceed \$325,000, and
2. Grant an exemption from competitive bidding pursuant to City Charter §1002(H) contracts with other governmental entities or their contractors

BACKGROUND:

On October 24, 2005, Council authorized a lease of 9,862 rentable square feet for additional office space at 1055 E. Colorado Boulevard, in Pasadena. The additional space was leased to accommodate additional positions added since April 2005, including ten new engineering positions for the initial implementation of the Electric Distribution System Master Plan. PWP has redistributed personnel among its existing leased and owned facilities so that all of the Power Delivery engineering positions (38) will be at the same location. PWP needs to furnish the offices in the recently leased space at 1055 E. Colorado Boulevard.

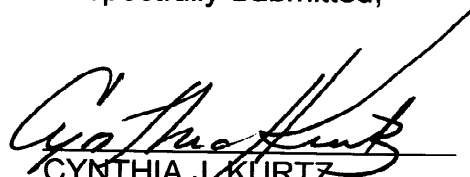
After reviewing various options, PWP determined that a contract with Herman Miller, through their local dealer M3, Inc, would be in the City's best interests. Herman Miller has a contract in place with Fairfax County, Virginia that commits to offering the lowest available pricing to government agencies and provides percentage discounts off list price between 41% and 65% for the various elements of the office systems. The City of Pasadena can piggyback on this contract and receive the same discounts. In addition, PWP currently has Herman

Miller office systems at its 150 S. Los Robles offices, and using the same products will allow PWP to maintain a common standard, create uniformity within the two locations and eventually create a pool of interchangeable office systems. PWP requests that City Council authorize a purchase order contract to M3, Inc in an amount not to exceed \$325,000 and grant an exemption from the competitive selection process under City Charter §1002(H), contracts with other governmental entities or their contractors.

FISCAL IMPACT:

On October 24, 2005, City Council authorized the appropriation needed for the purchase of the office systems in the amount of \$325,000 to Power Capital Fund 411- 843100.

Respectfully Submitted,



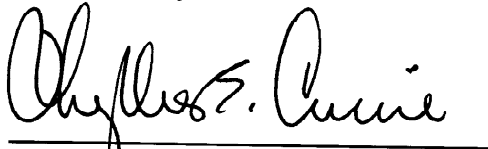
CYNTHIA J. KURTZ
City Manager

Prepared by:



Joe Awad
Business Unit Director
Power Delivery- Engineering and Construction Services

Approved by:



Phyllis E. Currie
General Manager
Pasadena Water and Power