

**Council Meeting: June 23, 2009****SUBJECT: Authorization to Modify an Existing Contract for the Security Access Control System (F0804-69) and Approval of Budget Modification No. 35****BACKGROUND**

In November 2007, Council awarded a contract to AEC Alarms of San Jose in the amount of \$493,884 (including project contingency) in order to replace and improve security access and control systems for City facilities, including new card keys to be used as employee identification badges. During the system installation at Public Safety Headquarters in the summer of 2008, it was discovered that several employee entry and exit doors were inadvertently omitted from the project design, including areas used for jail access and prisoner transport. Facilities staff authorized the additional work to minimize jail closure time.

DISCUSSION

Inclusion of the new system components required additional hardware and software programming outside of the initial project scope. This additional work exceeded the original contract amount by approximately \$9,318. Council approval is requested to modify the existing contract in order to make the final payment to AEC Alarms and close out the project. Approval of a Budget Modification to move funds between budgeted projects is also necessary because the capital project associated with this contract (project 825560 – Card Key System Replacement) cannot absorb the additional costs and is currently over budget by approximately \$6,007. Staff proposes to move \$15,325 from project 818150, Public Safety Buildings Rehabilitation, to project 825560 to cover these additional costs.

FISCAL IMPACT

The total fiscal impact of this request is \$15,325 but no new funds are being requested. A Budget Modification is necessary in order to move budgeted expenses from one project to another. Neither the AEC contract contingency nor the original project budget were sufficient to cover the increased scope of work for the security access and control project.

**BUDGET MODIFICATION NO. 35
 FISCAL YEAR 2008/2009**

| | <u>Current</u> | <u>Increase (Decrease)</u> | <u>Revised</u> |
|---|----------------|--------------------------------|----------------|
| General Fund | | | |
| <u>Expenditures:</u> | | | |
| Project 825560 Card Key Replacement System | \$531,296 | \$15,325 | \$546,621 |
| Project 818150 Public Safety Building Rehabilitation | \$ 76,403 | (\$15,325) | \$ 61,078 |

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center and Department of Public Safety; posting the agenda and report on the City's web site; and making the report available at the Library and the Office of the City Clerk.

RECOMMENDATION

It is recommended that Council:

1. Modify and existing contract with AEC Alarms by increasing the not-to-exceed amount by \$9,318 to \$503,202; and
2. Approve Budget Modification No. 35.

Reviewed by:

David A. Lewis, Director, Community Services Department
Prepared by: Cathy E. Merrill, Assistant to the Director of Community Services

Reviewed by:

Mary J. Bradley
Director, Finance Department

Approved by:

Gary M. Luebbers
City Manager

Attachments

A. Draft Purchase Order



| | | |
|---|--|---|
| ORDERED FROM 17938 - 001 (408) 298-8888 AEC Alarms Au Electric Corp 499 E Taylor St San Jose CA 95112 | ORDER DATE 06/16/2009 | BILL TO: City of Sunnyvale Finance Department Accounts Payable PO Box 3707 Sunnyvale, CA 94088-3707 |
| | DELIVERY DATE 07/31/2009 | |
| | PAYMENT TERMS N/30 | |
| | BID NO/RFQ NO | |
| DELIVER TO Community Services/Facilities Services 221 Commercial St Sunnyvale CA 94086 Phone: (408) 730-7583 | FOB POINT | FREIGHT CHARGES |
| | REQ. NO RQ002105 | REQUISITIONER: LDUFFLEY |
| | CHARGE/OBJ CODE(S): 825560 5100 \$503,202.24 | |

| ITEM | DESCRIPTION | QTY | UNIT | UNIT COST | TOTAL |
|------|---|-----------|------|-----------|--------------|
| 1 | Replace City's security access control system in accordance with the attached Service Agreement, dated 12/7/2007. | 166618.24 | DLR | \$1.0000 | \$466,618.24 |



| ITEM | DESCRIPTION | QTY | UNIT | UNIT COST | TOTAL |
|------|---|----------|------|-----------|-------------|
| 2 | <p>Project contingency.</p> <p>All invoices to show this order number.</p> <p>All work to be scheduled through Tony Perez, Operations Manager of Facilities Services.</p> <p>Awarded by Council 11/20/2007, RTC #07-384.</p> <p>Invitation for Bids Number: F0605-109 Purchase Requisition Number: RQ002105</p> <p>Rev #1 - Extend Time for Completion to 250 calendar days in accordance with the attached Amendment to Service Agreement dated 4/11/2008 Purchase Requisition # RQ003078</p> <p>Rev#2: Increase Not to Exceed Amount by \$9,318.24 to include work outside of original project scope. Approved by Council 6/23/2009, RTC #_____</p> | 36584.00 | DLR | \$1.0000 | \$36,584.00 |

Amount does not reflect applicable taxes.

TOTAL \$503,202.24

BUYER:

Howard, Dreama

PHONE (408) 730-7396

FAX (408) 730-7710