

October 20, 2005

06-021

APPROVE ADDITIONAL EXPENDITURE AUTHORITY FOR
THE CONTRACT WITH CHRISTENSON VELAGIO (formerly
Christenson Technology Inc.), TO PROVIDE MERIDIAN
PBXs and EQUIPMENT UPGRADES

PREPARED BY: Avelina Gulmatico, Procurement Lead Buyer

FINANCIAL
RESPONSIBILITY: Leslie Riester, Associate Vice President of Technology

APPROVED BY: Randy McEwen, Vice-President, Administrative Services
Dr. Preston Pulliams, District President

REPORT: At the September 12, 2002 Board meeting, per Resolution 03-022, the Board awarded a contract to Christenson Technology Services (now known as Christenson Velagio) to maintain the existing Nortel Meridian PBXs and to provide equipment upgrades, moves, adds, and changes for expansion activity that will become necessary as the College constructs and remodels buildings on various campuses. The contract was approved for an initial expenditure of \$90,717.20 for FY 02-03 and then, \$95,760 for FY 03-04 and FY 04-05 (approved contract total of \$282,237.20). Due to the extensive new construction and remodeling workload of the past 3 years, the current expenditure for this contract exceeded the initial approved amount by \$154,759.42 (which is about 54% of the initial contract amount). In addition, since the contract allows for another two (2) years extension the contract amount will also need to be increased by \$256,965. This amount represents estimated cost to complete anticipated projects for FY 05-06 (\$125,760) and FY 06-07 (\$131,205).

College Contracting Rules (CCR 302) require the Board of Directors to approve the expenditure if the total amended value of the contract exceeds thirty-three percent (33%) for goods and services.

After much discussion with the Department and Purchasing, it has been decided that it will be in the best interest of the

College to continue to contract with Christenson Technology based on the work already performed and pending projects. The original prices, when the contract was awarded, were very competitive and there is no reason to believe that there could be better pricing by re-bidding the project. By renewing the contract, Christenson Technology is also offering the College a total savings of \$22,000 in the software upgrades.

RECOMMENDATION:

That the Board of Directors authorize additional expenditure of \$411,724.42 (consists of \$154,759.42 change orders; \$125,760, cost for FY 05-06; and \$131,205 for FY 06-07) to Christenson Velagio for continuation of maintaining the Nortel Meridian PBXs and equipment upgrades (moves, adds and changes) as necessary for the new building constructions and remodels at various PCC locations. Total contract amount will be for \$693, 961.62. The contract term will be valid through December 31, 2007 (not to exceed 5 years). The expenditure will be covered by General Funds, Bond funds and Capital Projects Funds.