

Board of Trustees Agenda Item

Board Meeting Date: November 7, 2011

Title of Item: Authorize a Maintenance Service Agreement between the District and Konica Minolta Planetarium Co., Ltd.

Background and Analysis:

On April 19, 2004, the Board of Trustees authorized award of a contract to Konica Minolta Photo Imaging U.S.A., Inc. for the purchase of a Konica Minolta Infinium S star projector system, including an initial five-year factory recommended maintenance program.

The five-year maintenance program provides annual testing and inspection of all equipment, calibrations, lubrication, and up to two days labor for such work (including all travel, lodging, and labor expenses). The current maintenance program expires April 30, 2012.

The Dean of Community & Continuing Education, Ms. Caron Blinick, has negotiated a new five-year maintenance service agreement with Konica Minolta Planetarium Co., Ltd (formerly Konica Minolta Photo Imaging U.S.A., Inc.). The new agreement provides for three days on site service and support, a local agent for 24x7 technical support, one emergency service call from the local agent, and it also includes the cost for replacement lamps. The cost of the five-year maintenance service agreement is \$22,600 due annually, for a total cost of \$113,000.

If the District were to delay this acquisition to allow the necessary 90 days to complete a formal sealed bid process, there would be no public benefit because Konica Minolta Planetarium Co., Ltd. (Konica) would be the only responsive bidder. This is because Konica is the manufacturer of the Infinium S star projector and Konica authorizes only itself and its partner, East Coast Control Systems, to provide the maintenance in the United States for the Infinium S star projector. This has been reviewed with District legal counsel, Mr. John Shupe, and he agrees that the Board of Trustees has the authority to award a contract to Konica without calling for competitive bids.

The maintenance will be paid from either the Planetarium Foundation Account or from the Planetarium Fund 15 account; in either case there will be sufficient funds to pay for the annual expenses. The Planetarium Fund 15 account currently has a healthy fund balance and continues to generate revenues annually via Planetarium activities.

Recommendation:

Authorize the Director of Purchasing Services, Carmen Redmond to sign a Maintenance Service Agreement with Konica Minolta Planetarium Co., Ltd. in the amount of \$113,000 for a five-year term effective May 1, 2012 through April 30, 2017.

Submitted by:	Carmen Redmond, Director of Purchasing Services
Additional contact names:	Caron Blinick, Gina Bailey
Is backup provided?	No