



Legislation Text

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Department of Community Development

Reference: Approving the Procurement of 20-006403 for the Digitization of Building Records

To: Mayor Gregory Mills and Members of City Council

Through: Marv Falconburg, AICP, Acting City Manager

Holly Prather, AICP, Community Development Director

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Date Prepared: September 10, 2020

PURPOSE

City staff is requesting City Council approval of a formal solicitation for 20-006403, Digitization of Building Records, to the most responsive and responsible bidder, and approving the resolution giving the City Manager, or their Designee, authority to sign the contract. Municipal Code Section 3.08.090, "...All bids and proposals in excess of \$50,000 shall be awarded through formal written procedures by the City Council."

BACKGROUND

This project is to complete the scanning and digitization of records for the Building Division that began in 2019. The original bid was approved by the City Council at a meeting held on May 21, 2019 in the amount of \$98,670. The original bid was done via cooperative purchasing aka "piggyback" to an Adams County bid as provided for in section 3-8-40 (f) of the city's Municipal Code. The contractor began the project in 2019 and in 2020 found that they would be unable to complete the project within the original bid amount as they had miscalculated the amount of documents to be scanned. The contractor requested additional funds in the amount of \$122,342.49 to complete the project. The change order for the additional funds to complete the project was brought before the City Council on April 21, 2020. At that time, the City Council expressed concern that the contractor had underbid the project and expressed concern with approving a change order to the same contractor. At that meeting, the City Council requested the City Attorney review whether or not the contractor was in default of their contract with the city. The City Attorney reviewed the contract and found that the contractor was not in breach of the contract as the contract was based on actual per unit pricing. Ultimately, the change order was not approved by the City Council; therefore, city staff went back out to bid to complete the project.

The city performed the formal bidding process, which was completed through a Request for Proposal and by advertising for bids through the City's "BidNet" process. The city received a total of five bids and evaluation by staff was performed through a comprehensive matrix and written reference checks.

The five bid proposals that were received had a wide range of pricing from \$58,500.00 up to \$382,212.45. The selection process was narrowed down using scoring of historic customer satisfaction, responsiveness, responsibility, price, reliability, finances, and health and safety.

Staff determined that the bid from the second lowest bidder, Kanes Record Management, Inc. (DBA DocuTek, Inc.) in the amount of \$74,311.02 best meets the city's needs based on their qualifications and pricing. Note: The lowest bidder did not have experience in performing scanning and digitization for government agencies, there were discrepancies within the documents submitted for review, and there were minimal reference checks that were submitted back to the city.

Since the previous contractor underestimated the number of documents to be scanned and digitized, staff included a ten percent contingency amount on DocuTek's bid. Therefore, as you'll see from the draft resolution, an additional \$7,431.10 has been added to DocuTek's bid amount of \$74,311.02, thus totaling \$81,742.12. Note: The city shall only pay for the actual amount of documents scanned, which total will not exceed \$81,742.12.

FINANCIAL IMPACT

According to the Finance Department, sufficient appropriation exists for the project.

STAFF RECOMMENDATION

After careful consideration and examination, it is recommended that the City Council approve the bid from Kanes Record Management, Inc. (DBA DocuTek, Inc.) in the amount of \$74,311.02 with a ten percent contingency of \$7,431.10 for a total, not to exceed, amount of \$81,742.12. As previously noted, this bid is the second lowest out of the five bids received and staff feels the qualifications and pricing are the most qualified for the City's purposes.

OPTIONS FOR COUNCILS CONSIDERATION

- Approve the bid;
- Reject the bid; or
- Require new proposals be prepared.

ATTACHMENTS

- (Draft) Resolution
- (Draft) PowerPoint Presentation