



# CITY OF CARSON

## Legislation Text

File #: 2019-345, Version: 1

### Report to Mayor and City Council

Tuesday, May 19, 2020

Consent

#### **SUBJECT:**

**CONSIDER APPROVAL OF AMENDMENT NO. 1 TO THE CONTRACT SERVICES AGREEMENT BETWEEN THE CITY OF CARSON AND CONVERGINT TECHNOLOGIES, LLC (CITY COUNCIL)**

#### **I. SUMMARY**

The proposed Amendment No. 1 ("Amendment") to the Convergent Technologies, LLC ("Convergent") Contract Services Agreement ("Agreement") would authorize funding for 17 change orders requested by staff for the installation of additional access control, video surveillance, and intrusion systems and equipment at all eighteen (18) City facilities in order to achieve 24-hour surveillance throughout the City's facilities, and for a three-year preventive maintenance program for video surveillance systems at all fourteen (14) City facilities with such systems.

The changes total \$494,806.98 in additional cost to the City, far in excess of the contract officer's \$25,000 authority to authorize additional services pursuant to Section 1.8 of the Agreement.

The Amendment would also extend the initial term of the Agreement by an additional two (2) years to accommodate the work requested pursuant to the change orders, the majority of which has not yet been completed.

The Amendment would increase the contract sum for the initial term from \$789,359 over three years to \$1,284,165.98 over five years.

The City's two subsequent one-year options would remain, but the compensation for such periods would be corrected to reflect the purpose of the option periods to allow for continued maintenance and monitoring of the systems that would be installed during the initial term, with the contract sums adjusted downward accordingly.

#### **II. RECOMMENDATION**

TAKE the following actions:

1. APPROVE Amendment No. 1 to the Convergent Technologies, LLC Contract Services Agreement dated June 5, 2018 (Exhibit 1).
  2. AUTHORIZE the Mayor to execute Amendment No. 1 following approval as to form by the City Attorney.
- 1.

### **III. ALTERNATIVES**

1. DO NOT APPROVE Amendment No. 1 to the City's contract Agreement with Convergent Technologies, LLC.
2. TAKE any other action the City Council deems appropriate that is consistent with the requirements of the law.

### **IV. BACKGROUND**

On June 5, 2018, the City Council awarded Convergent the Agreement, a three-year contract from July 1, 2018 to June 30, 2021, to provide video surveillance and intrusion systems at seven (7) City facilities, namely: City Hall, Community Center, Corporate Yard, Veterans Park, Stevenson Park, Mills Park and Carson Park, and to install intrusion systems at nine (9) additional City park facilities namely: Anderson Park, Calas Park, Carriage Crest Park, Del Amo Park, Dolphin Park, Dominguez Park & Pool, Hemingway Park & Pool, Carson Park Pool, Foisia Park & Pool (formerly Scott Park & Pool).

The contract sum stated in the Agreement was inaccurate due to: (1) inclusion of the compensation for the two one-year option periods within the contract sum; and (2) misstatement of the intended compensation for each of option period. The annual option period amounts erroneously reflected a continuation of the annual compensation from the initial term, when in actuality the option periods were intended only to provide for continued maintenance and monitoring of the systems, which were to be installed during the initial term, and thus carried a far lower annual sum than applicable to the initial term.

The cumulative effect of these discrepancies is that the contract sum should have been stated in the original Agreement as \$789,359, rather than \$1,298,719 as was actually stated. The proposed Amendment would correct these discrepancies, adjusting the rates for the option periods downwards from \$254,680 to \$57,420 for the first option year, and from \$254,680 to \$58,598 for the second option year, for a total decrease of \$393,342 if both options are exercised. The change for the initial term of \$494,806.98 minus the decrease of monitoring and maintenance of \$393,342 after the total change orders the increase will result in a \$101,464.98.

#### **Unauthorized Change Order Requests**

Due to a number of security incidents occurring on City property, City staff initiated

seventeen (17) change orders with Convergent in order to achieve 24-hour surveillance throughout all City facilities. However, the cumulative cost of these change orders to the City far exceeded the Contract Officer's \$25,000 authority to order additional services without Council approval pursuant to Section 1.8 of the Agreement.

The seventeen change orders provide for the following:

- a. Change order nos. 1-7, 9-12, and 14 - the intrusion system adjustment and the installation of additional access control, video surveillance and supporting equipment at City Hall.
- b. Change order no. 8 - the installation of video surveillance systems at eight (8) city park facilities (Calas Park, Carriage Crest Park, Del Amo Park, Dolphin Park, Dominguez Park, Foisia Park, Hemingway Park and Mills Park).
- c. Change order no. 13 - the installation of an access control system, and additional video surveillance and intrusion equipment at the Corporate Yard.
- d. Change order nos. 15 and 16 - the installation of additional video surveillance and supporting equipment at Veteran's Park.
- e. Change order no. 17 - the adjustments to the planned intrusion systems, including monitoring of installed intrusion systems for all sixteen (16) City facilities under the Agreement, as well as the installation of intrusion systems at two (2) additional City park facilities namely; the Anderson Park Tennis Courts and the Dolphin Park Maintenance Building.

The change orders also necessitate expansion of the three-year preventive maintenance program under the Agreement, which program provides for the bi-annual inspection and cleaning of installed video surveillance systems, to include all fourteen (14) City facilities with video surveillance systems.

The multiple change order requests have significantly delayed installations. Therefore, the proposed Amendment would also extend the initial term of the Agreement by an additional two (2) years, ending on June 30, 2023. The City would retain its two one-year options to extend the Agreement thereafter for continued maintenance and monitoring services.

The Amendment would increase the total cost of services by \$494,807.18, from \$789,359 over an initial three-year term to \$1,284,165.98 over an initial five-year term.

However, due to correction of the discrepancies regarding compensation for the option periods as described above, the stated contract sum will increase by just \$101,464.98 from that stated in the Agreement, from \$1,298,719.00 to \$1,400,183.98.

A summary of the adjusted rates of compensation is as follows:

Item	Description	Cost
A	Access Control, CCTV and Intrusion System Additions: 16 Facilities (Original Agreement)	\$682,378.80

<b>B</b>	<b>Access Control and CCTV System Adjustments and Additions:</b> City Hall (CO# 1-7, 9-12, 14)	\$101,180.82
<b>C</b>	<b>CCTV System Additions:</b> Calas Park, Carriage Crest Park, Del Amo Park, Dolphin Park, Dominguez Park, Foisia Park, Hemingway Park, Mills Park (CO#8)	\$87,934.09
<b>D</b>	<b>Access Control, CCTV and Intrusion System Additions:</b> Corporate Yard (CO#13)	\$49,898.00
<b>E</b>	<b>CCTV System Additions:</b> Veteran's Park (CO# 15-16)	\$18,826.29
<b>F</b>	<b>Intrusion System Adjustments, Additions and Monitoring:</b> 18 Facilities (CO# 17)	\$128,988.00
<b>G</b>	<b>Access Control and CCTV System Preventative Maintenance:</b> 14 Facilities (Anderson Park, Anderson Park Tennis Courts, Carson Park Pool and Dolphin Park Maintenance Building excluded)	\$105,988.00
<b>H</b>	<b>Labor Adjustment:</b> 18 Facilities	\$108,971.98
	<b>TOTAL</b>	<b>\$1,284,165.98</b>
<b>I</b>	<b>Optional:</b> Monitoring and Preventative Maintenance - Year 4	\$57,420.00
<b>J</b>	<b>Optional:</b> Monitoring and Preventative Maintenance - Year 5	\$58,598.00
	<b>TOTAL (including optional extension periods)</b>	<b>\$1,400,183.98</b>

## V. FISCAL IMPACT

Funds are available on account 101-55-592-127-6004 therefore; no appropriation is needed for this amendment.

## VI. EXHIBITS

1. Original Contract (pages 5-53)
2. Amendment No. 1 (To be provided for Council Meeting)

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