

To: California State Lottery Commission **Date**: January 9, 2008

From: Joan M. Borucki

Director

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Operations Division

Subject: Item 8(b) - Approval to Amend the Lowbidder Electrical Contract

ISSUE

Should the California State Lottery Commission (Commission) approve an amendment to the Lowbidder Electrical contract to extend the term for one additional year, to add \$100,000 in additional funds for electrical services, and to incorporate the wording "Lottery Owned Buildings" into work area locations and scope of services?

RECOMMENDATION

Staff recommends that the Commission approve an amendment to the Lowbidder Electrical contract to extend the term for one additional year, to add \$100,000 in additional funds for electrical services, and to incorporate the wording "Lottery Owned Buildings" into work area locations and scope of services, bringing the total expenditure to \$310,000.

BACKGROUND

Services under this contact include all commercial electrical work and related equipment services required at the Lottery's Headquarters Complex. In 2005, as the results of a formal, competitive solicitation, the California State Lottery (Lottery) awarded a three-year contract to Lowbidder Electrical for electrical services with a total expenditure authority of \$210,000. The contract is set to expire on August 31, 2008. However, there are two one-year extensions available in the existing contract.

California State Lottery Commission January 9, 2008 Page 2

DISCUSSION

The current contract language covers the Lottery's Headquarters Complex only. With the recent purchase of the Northern Distribution Warehouse and the pending purchase of the new Sacramento District Office, language will need to be added to allow the contractor to perform electrical services at these locations.

In addition, the new buildings will require additional electrical services that will require additional spending authority.

Upon approval of this term extension and addition of funds, the new expiration date of the Lowbider Electrical contact will be August 31, 2009, with the total expenditure authority of \$310,000.