

**CITY OF OAKLAND
AGENDA REPORT**

2004 MAY 13 PM 6:25

TO: Office of the City Manager
ATTN: Deborah Edgerly
FROM: Cultural Arts and Marketing-Oakland Museum of California
DATE: May 25, 2004

RE: **RESOLUTION WAIVING FORMAL BIDDING REQUIREMENTS AND AUTHORIZING EXECUTION OF A CONTRACT WITH SYSTEMS AND SPACE, INC. IN AN AMOUNT NOT TO EXCEED SIX HUNDRED THOUSAND DOLLARS (\$600,000) TO BE FUNDED BY CAPITAL IMPROVEMENT PROJECT FUNDS NECESSARY TO MATCH A NATIONAL ENDOWMENT FOR THE HUMANITIES GRANT, THE COMBINED FUNDS TO BE USED FOR MANUFACTURING AND INSTALLING A MUSEUM-QUALITY SHELVING AND COLLECTIONS STORAGE SYSTEM AT THE CALIFORNIA COLLECTIONS AND RESEARCH CENTER**

SUMMARY

A resolution is requested waiving formal bidding and authorizing the City Administrator to enter into a contract with Systems and Space, Inc. (SSI) in an amount not to exceed \$600,000. This action will complete the funding needed for new shelving and a high-density, mobile storage system at the soon-to-be-renovated California Collections and Research Center (CCRC). This amount is available in the museum's Capital Improvement Program for the restricted purpose of creating the CCRC and is needed to match a \$700,000 grant to the Oakland Museum of California Foundation (Museum Foundation) from the National Endowment for the Humanities (NEH). The specified equipment is produced by SpaceSaver Inc., is the standard in the museum field, and is specified by the NEH grant.

FISCAL IMPACT

SSI has provided a bid for shelving and SpaceSaver compact storage systems in an amount of \$1,260,950. The Museum Foundation has obtained a grant of \$700,000 from NEH for the restricted purpose of obtaining this equipment for the soon-to-be-renovated warehouse at 450 Lancaster Street, Oakland – the proposed CCRC. SSI is located in Pleasanton and is the only authorized distributor of SpaceSaver equipment in the area.

The City has appropriated funds for the "Museum Storage Space Replacement" project (B03600) in the FY 1999-2000 Capital Improvements Program (CIP), within fund 5500. Currently, the project has a balance of \$622,079, up to \$600,000 of which will be used for the aforementioned contract. The City's \$600,000 CIP set-aside, in addition to funding a major portion of the contract, also serves as a match for the \$700,000 NEH grant. The Museum Foundation and City will each contract separately for their respective portions of the total project costs. Since this contract is for equipment purchase only, the City's Contract Compliance assessment does not apply.

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Purchasing this equipment will have no additional impact on the General Fund. The City has a 10-year lease on the warehouse and installing equipment will have no impact on the rent of \$398,976 a year, which is paid from the museum's General Fund budget.

BACKGROUND

The museum's collections of artworks, historical artifacts, photographs, archival materials, and natural specimens are a City asset – the artistic and cultural patrimony of the diverse people of California. On July 10, 2001, the City Council authorized the City Manager to execute a 10-year lease of warehouse space located at 450 Lancaster Street, Oakland, for future use as the museum's California Collections and Research Center. The lease contains an option to buy the 450 Lancaster Street property for \$4,400,000 in 2005, after the fourth year of the lease.

The lease was necessitated by the need to obtain a long-term storage solution for the City's collections. The museum's accreditation has been challenged by the American Association of Museums (AAM) owing to the condition of the current storage facility, a World War II era wooden warehouse at the Oakland Army Base. In addition to being too small, not climate controlled, susceptible to earthquake and fire damage, and subject to pest infestation, the Army Base warehouse is due to be demolished when the City and Port of Oakland finalize plans for redevelopment of the site.

The museum's collections have not been moved to the CCRC as the new space has not been retrofitted to accommodate storage of the collections. Funds have now been dedicated for the required renovation from Measure G general obligation bond proceeds. Seismic upgrading, security and fire suppression, climate control, and other improvements are planned. Work will take place in the next 12 months, with the physical move of collections in the following year. Completion is scheduled for mid 2006.

KEY ISSUES AND IMPACTS

With the present authorization of \$600,000 in the City's CIP funds, the \$700,000 NEH grant, and \$5.0 million from Measure G, all of the funding will be in place to renovate the leased warehouse at 450 Lancaster and move the collections to a new, AAM-accredited collections facility. Approving the resolution allows the City Administrator to execute a contract with SSI and, at the same time, satisfy the terms of the NEH grant by providing a fiscal match. The funding package will also allow the museum to demonstrate a realizable plan is in place when the AAM begins the museum's accreditation inspection later in 2004. With the completed CCRC, the museum will be able to move the City's collections ahead of the planned demolition of the existing warehouse at the old Oakland Army Base.

DISABILITY AND SENIOR CITIZEN ACCESS

The storage and archival system complies with the 1991 Americans with Disability Act. The renovated CCRC will be fully accessible.

RECOMMENDATION AND RATIONALE

Approve the resolution to waive the formal bidding requirement and execute a contract with Systems and Space, Inc. Doing so allows renovating and equipping the new, leased warehouse, which will ensure the museum's continued accreditation and the required move of museum collections before the demolition of the existing warehouse at the old Oakland Army Base. In addition, the resolution would approve \$600,000 from the Museum's Storage Space Replacement capital project as matching money for the National Endowment for the Humanities grant.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution.

Respectfully submitted,



DENNIS M. POWER
Director, Cultural Arts and Marketing

APPROVED AND FORWARDED TO THE
LIFE ENRICHMENT COMMITTEE:


OFFICE OF THE CITY ADMINISTRATOR

2004 MAY 13 PM 6:25

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.



RESOLUTION WAIVING FORMAL BIDDING REQUIREMENTS AND AUTHORIZING EXECUTION OF A CONTRACT WITH SYSTEMS AND SPACE, INC. IN AN AMOUNT NOT TO EXCEED SIX HUNDRED THOUSAND DOLLARS (\$600,000) TO BE FUNDED BY CAPITAL IMPROVEMENT PROJECT FUNDS NECESSARY TO MATCH A NATIONAL ENDOWMENT FOR THE HUMANITIES GRANT, THE COMBINED FUNDS TO BE USED FOR MANUFACTURING AND INSTALLING A MUSEUM-QUALITY SHELVING AND COLLECTIONS STORAGE SYSTEM AT THE CALIFORNIA COLLECTIONS AND RESEARCH CENTER

WHEREAS, the City must move the collections of the Oakland Museum of California (“Museum”) from inadequate storage in a warehouse at the old Oakland Army Base in order to maintain accreditation by the American Association of Museums and before the existing warehouse is demolished owing to redevelopment of Base property; and

WHEREAS, the City has leased a warehouse at 450 Lancaster Street, Oakland, to be remodeled and become the California Collections and Research Center, the new facility to receive Museum collections and be publicly accessible; and

WHEREAS, the National Endowment for the Humanities (“NEH”) has awarded the Oakland Museum of California Foundation (“Museum Foundation”) a grant of seven hundred thousand dollars (\$700,000) to purchase museum-quality shelving and compact storage systems, subject to sufficient funds being obtained to purchase the balance of the system that is needed; and

WHEREAS, Systems and Space Incorporated has provided a bid for shelving and SpaceSaver compact storage systems in the amount of one million two hundred sixty thousand nine hundred fifty dollars (\$1,260,950); and

WHEREAS, in excess of six hundred twenty-two thousand dollars (\$622,000) is available in the Museum’s Capital Improvement Program (CIP) project specifically for Museum Storage Space Replacement, and is intended to be used in part as matching money for the NEH grant, for the purchase of museum shelving and storage systems; now, therefore be it

RESOLVED: That pursuant to Oakland Municipal Code section 2.04.050(D)(5), the City Council finds and determines that it is in the best interests of the City to waive formal bidding requirements and hereby authorizes the City Administrator to enter into a contract with Systems and Space, Inc. for an amount not to exceed six hundred thousand dollars (\$600,000) to be funded by CIP fund 5500, project number B03600, which, when combined with the NEH grant

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of seven hundred thousand dollars (\$700,000) to the Museum Foundation, will be used for manufacturing and installing a Museum-quality shelving and collections storage system at the California Collections and Research Center; and be it

FURTHER RESOLVED: That the contract authorized hereunder will be reviewed by the Office of the City Attorney and a copy of this resolution will be on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20_____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California

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LIFE ENRICHMENT CMTE.

MAY 25 2004