

12. SERVICE CONTRACT; CARTWRIGHT AERIAL SURVEYS, INC.

During consideration of Calendar Item 10 attached, Mr. William F. Northrop, Executive Officer, pointed out that the owner of Cartwright Aerial Surveys, Inc., the successful bidder, serves on the State Board of Control.

Chairman Kenneth Cory questioned whether other bids were received. Mr. Northrop indicated that a bid was received from Murray-McCormick Aerial Surveys. However, he explained that unlike Cartwright, Murray-McCormick did not offer a discount in its bid. Questions were posed concerning whether a discount statement was included in the Division's bid proposal. Mr. James F. Trout, Manager, Land Operations, reported that such a statement was included. Murray-McCormick apparently considered this to be a cash discount and bid "none", whereas Cartwright interpreted the discount to include a discount for quantity. He explained that because of the confusion raised concerning the discount statement, the staff had considered rejecting the bids. However, only two places in Sacramento provided the services required--Cartwright and Murray-McCormick. Since the bids are now public, and they both know the amount of each other's bid, a new bid would be counter-productive and possibly noncompetitive.

Mr. N. Gregory Taylor, Deputy Attorney General, inserted that it was the opinion of the Office of the Attorney General that the discount statement in the Division's bid proposal was clear and was not ambiguous; one bidder chose to express a discount and the other did not. Based on the Attorney General's opinion, Commissioner Dymally recommended approval of the item.

Chairman Cory instructed the Commission to, in the future, draft the bid proposals to avoid similar situations from occurring.

Commissioners Mervyn Dymally and Roy Bell requested that the record show they do not know Mr. Cartwright, the owner of Cartwright Aerial Surveys, Inc., personally or of his business.

Upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE EXECUTION OF A CONTRACT WITH CARTWRIGHT AERIAL SURVEYS, INC., TO PROVIDE REPRODUCTION OF SCALE CORRECTED PHOTOGRAPHIC NEGATIVES FOR THE PERIOD JULY 1, 1975, THROUGH JUNE 30, 1976, AT A TOTAL COST NOT TO EXCEED \$15,000.

Attachment:
Calendar Item 10 (2 pages)

CALENDAR ITEM

5/75
LFW

10.

SERVICE CONTRACT

CONTRACTOR: Cartwright Aerial Surveys, Inc.
Executive Airport
Sacramento, California

PURPOSE: To provide services for scale corrected reproductions of photographic negatives of coast charts received from the National Oceanographic Surveys Department. Proposals for these services have been advertised and an analysis of bids received shows that Cartwright Aerial Surveys, Inc., is the lowest acceptable bidder.

CONTRACT TERMS: Period: July 1, 1975, through June 30, 1976.

Cost: Total allowable costs for services to be rendered not to exceed \$15,000.

SUMMARY: Proposals to provide the special reproductive services were distributed to the three companies in the Sacramento area having the equipment capability of providing these services. Two bids were received, which are shown below:

	<u>Murray-McCormick Aerial Surveys</u>	<u>Cartwright Aerial Surveys, Inc.</u>
Estimated Requirements:	4,500 sq. ft.	4,500 sq. ft.
Unit Bid Price:	\$3.00/sq. ft.	\$3.19/sq. ft.
Minimum Order Price:	\$35.00	\$25.00
Discount:	None	5-10 sheets - 5% 11-25 sheets - 10% 26 plus sheets - 20%
TOTAL	\$13,500.00	\$14,455.00 -2,891.00 less 20% disc. <u>\$11,564.00</u>

The 20% discount amount can be used for the following two reasons:

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1. An estimated 100 sheets will be on hand for processing on July 1, 1975.
2. The scale corrected charts will be used in a mapping project for the California Coastal Zone Commission. That Commission is requesting that the National Oceanographic Survey in Washington, D.C., send the photographic negatives, which will be used in the services of this contract, to the State Lands Division at a rate of 25 per week or 100 per month.

Both bidders are deemed to be equal in capability and reliability. It is, therefore, recommended that the award be made to the low bidder.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTION OF A CONTRACT WITH CARTWRIGHT AERIAL SURVEYS, INC., TO PROVIDE REPRODUCTION OF SCALE CORRECTED PHOTOGRAPHIC NEGATIVES FOR THE PERIOD JULY 1, 1975, THROUGH JUNE 30, 1976, AT A TOTAL COST NOT TO EXCEED \$15,000.