

Purchasing Committee Meeting
January 24, 2006

A meeting of the Purchasing Committee of the Board of Finance was held on Tuesday January 24, 2006 in the Purchasing Office's conference room. The following people were in attendance: Committee members Don Soucy, Rich Miecznikowski and Roald Erling. Also in attendance were Purchasing Agent Roger Rousseau and Comptroller Glenn Klocko. Committee members Chris Ziogas and Ron Messier were not in attendance.

The meeting was called to order at 6:05 pm.

Roger Rousseau, Purchasing Agent, explained the purpose of this meeting was to discuss the possibility of waiving the indemnification clause on the contract with CCA Financial, a leasing company the City chooses to use for the leasing of computers. CCA Financial feels the indemnification clause has no role in the contract because they are solely the financial institution the City's lease will be held with. They feel it is not necessary because the City has the control over the computers, not CCA Financial. The only way the clause can be removed from the contract is with approval from the Board of Finance.

Dale Clift, Assistant Corporation Counsel could not be present at the meeting but did submit a letter with his recommendation for the Board to review. He stated "CCA Financial does raise a legitimate objection as to why it should be required to indemnify the City for something over which CCA Financial has no control." The Board of Finance is being asked to remove this language for the contract with CCA Financial and only this contract.

Don Soucy asked what we are leasing. Roger explained this is for the City's computers which were under lease with IKON Financial, but this ended in December 2005. In order to keep up with the latest technology, leasing is the most cost efficient way to provide the technology. The package went out to bid and the specifications stated a company must be able to install, support, maintain, finance and uninstall the computers. In the contract there are three parties, CCA Financial, Hewlett Packard and Ergonomics. We are not leasing directly from Hewlett Packard because their bid was incomplete and didn't provide the uninstall component. The City is not going with IKON Financial again because of problems the City has had the past three years in regards to service.

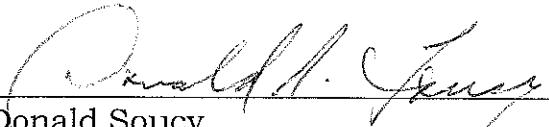
Discussion was held as to who maintains the computers, which Hewlett Packard would be responsible for maintenance under a three

year warranty. If there was a problem, MIS would be contacted and contact Hewlett Packard to come out to service the computers and replace parts as necessary. The City is covered under insurance if there was a natural disaster or any other element of that nature causing damage to the computers.

A motion was made "to waive the indemnification contract language with CCA Financial" by Rich Miecznikowski seconded by Roald Erling.

The topic will be presented by Committee Chairman Don Soucy to the full Board at the Board of Finance meeting January 24, 2006 for a decision.

The meeting was adjourned at 6:21 pm.


Donald Soucy
Purchasing Committee Chairman