

May 18, 1973

SENATOR FELLMAN: Well you are on the budget committee.

SENATOR STAHRMER: Alright, fine.

SENATOR FELLMAN: And you have decided to defend this proposal of Senator Carpenter's and I think that you are more free of the whatever the dart throwing contest between Senator Carpenter and Governor Exon, and I would like to get some information. Is it correct to feel that the average, that any significant purchase of this sort of equipment exceeds \$50,000. So that in reality we are talking about everything involving computers.

SENATOR STAHRMER: I think that was correct and could be perhaps be amended to a \$100,000 or \$500,000 but I think Senator Carpenter's intent and I think that you can ask him, that where you are dealing in the basics of a computer system that we take notice of who the company is and who a...a..what their reputation is and what the shape they are in at any one given time. I think that....

SENATOR FELLMAN: Well now wait, my question is, is it elementary that anything that that any purchase would exceed \$50,000 of any consequence?

SENATOR STAHRMER: I'm not sure what you mean by elementary?

SENATOR FELLMAN: Well there is a \$50,000 limit in here and all the purchases of any consequence are way over \$50,000.

SENATOR STAHRMER: That is correct.

SENATOR FELLMAN: Now under the present system DAS decides which bid to accept, is that correct?

SENATOR STAHRMER: I would suspect that is right.

SENATOR FELLMAN: Are they obligated to accept the lowest and best bid?

SENATOR STAHRMER: What the word best means is that it would be open to interpretation. If I were taking bids as a businessman and not necessarily is "the lowest bid, the best bid" and one of the chief things that he has to take into consideration especially in complex equipment and I have come across this many times in business is what will happen in the future.

SENATOR FELLMAN: Well now wait, is there a requirement that the lowest bid now is it the standard law that which is the lowest and best bid?

SENATOR STAHRMER: I suspect that they don't have to take the lowest bid. But the question is who is making the determination on "what is best". This is not.....

SENATOR FELLMAN: Well now is all of our equipment now IBM equipment?

SENATOR STAHRMER: As far as I know the basic equipment is.

SENATOR FELLMAN: I don't quite understand possible, because I am dumb, but involved in this issue is there a question as to whether we maintain exclusive purchases from IBM?

SENATOR STAHRMER: That is not my intention.

SENATOR FELLMAN: Then what is the intention, what is this really trying to do?