

Agenda Report

July 22, 2019

TO: Honorable Mayor and City Council

FROM: Department of Information Technology

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH POWER & TELEPHONE SUPPLY COMPANY FOR FIBER OPTIC CABLE AND MICRODUCT

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the following proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15301 (Existing Facilities); and
2. Accept the bid dated June 25, 2019 submitted by Power & Telephone Supply Company in response to the specifications to furnish fiber optic cable and microduct, reject all other bids received, and authorize the issuance of a contract with a total not-to-exceed amount of \$141,156.

BACKGROUND:

The City's fiber optic backbone, installed in 1998 and 1999, supports the City's voice and data networks, utility operations, and a variety of external business and institutional customers. Based on an FY 2015 fiber network and services strategic planning process that identified significant and growing City requirements for fiber network connectivity, the Department of Information Technology (DoIT) has been working to increase the capacity and reach of the City fiber optic network. Fiber expansion activities will continue in FY20 and FY21, including extension of fiber to reach additional areas of Pasadena, connect City facilities not already linked to the fiber backbone, support economic development goals, and serve new customers.

Anticipating the material requirements to implement the next two years of the fiber expansion program, DoIT recently prepared bid specifications for fiber optic cable and related microduct (in which the fiber optic cable will be installed for protection). The bid specifications were prepared in accordance with Section 4.08.070 of the Pasadena Municipal Code. The project was advertised in the *Pasadena Journal* and the Notice Inviting Bids was posted on the City's PlanetBids website on May 31, 2019. The bid

specifications were downloaded by 39 potential bidders, including one local firm. Four vendors, none local, submitted bids for the project.

The following bids were received on June 25, 2019:

1. Power & Telephone Supply Co.	Memphis, Tennessee	\$141,156.10
2. Karish Industries, Inc.	Buena Park, California	\$148,953.65
3. Graybar Electric Company, Inc.	Diamond Bar, California	\$154,463.10
4. Wesco Distribution, Inc.	Cerritos, California	\$169,132.20

Power & Telephone Supply Company was the lowest responsive bidder that met the requirements of the specifications. Staff recommends that the City Council authorize the City Manager to enter into a contract with Power & Telephone Supply Company in an amount not to exceed \$141,156. This amount represents the cost of the fiber optic cable and microduct materials the City plans to purchase over the next two years to support the fiber expansion program.

Power & Telephone Supply Company has not previously provided materials or services to the City. Headquartered in Tennessee, Power & Telephone Supply Company also operates a large warehouse in the City of Commerce, California.

The proposed contract complies with the Competitive Bidding and Purchasing Ordinance P.M.C.4.08 and the rules and regulations promulgated thereunder.

COUNCIL POLICY CONSIDERATION:

This contract with Power & Telephone Supply Company promotes the City Council's goal to improve, maintain and enhance public facilities and infrastructure by contributing to maintenance and expansion of the City's fiber optic backbone, a critical resource supporting ongoing City and customer business operations.

ENVIRONMENTAL ANALYSIS:

The proposed contract is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15301(c) Existing Facilities which exempts actions relating to existing facilities or structures where there is negligible or no expansion of the use. The proposed action relates to purchase of fiber optic cable and microduct that will be installed in existing conduit systems. The fiber installation constitutes a minor alteration to the City's existing conduit systems.

FISCAL IMPACT:

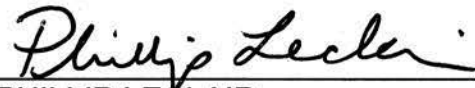
The total cost of this action will be \$141,156. Funding for this action will be addressed by the utilization of existing budgeted appropriations in Capital Improvement Program Budget account number 71167 (City Fiber Network Expansion) and in Operating Budget account number 40814013-810100 (IT Fiber-Related Projects). It is anticipated that the cost will be split evenly between the 2020 and 2021 fiscal years.

The following table presents a summary of the sources of funds that will be used:

City Fiber Network Expansion – CIP 71167	\$127,040
IT Fiber Related Projects Operating Budget Account	\$14,116
Total Sources	\$141,156

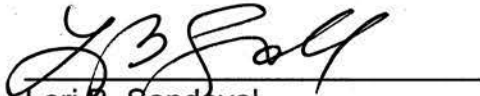
The anticipated impact to other operational programs or capital projects as a result of this action will be minimal.

Respectfully submitted,



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Chief Information Officer
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Prepared by:



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Approved by:



STEVE MERMELL
City Manager