



Agenda Report

DATE: February 5, 2001

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: AWARD OF CONTRACT TO UPTOWN SERVICES, INC. FOR CONSULTING SERVICES RELATED TO ASSESSMENT OF THE LOCAL TELECOMMUNICATIONS MARKET IN THE AMOUNT OF \$107,250.

RECOMMENDATION

It is recommended that the City Council:

- 1) Authorize the City Manager to enter into a contract without competitive bidding pursuant to Section 1002 (F), [professional or unique services] with Uptown Services, Inc. for consulting services related to an assessment of the local telecommunications services market in the amount of \$107,250; and
- 2) Authorize the appropriation of \$107,250 from the General Fund unappropriated fund balance and direct the Director of Finance to transfer that amount to the Information Technology Services budget, account number 8114-501-145900.

BACKGROUND

On September 23, 2000, the City Council participated in a workshop in which telecommunications and cable TV trends and potential City roles in the local telecommunications market were discussed. At the conclusion of the workshop, the Council requested that staff conduct an assessment of the local telecommunications market. The assessment is designed to identify:

- current and future telecommunications needs of local residents and businesses,
- the types of services that telecommunications companies provide currently or intend to provide in the near future, and
- assets and opportunities for the City to fill identified gaps.

The study will include evaluation of a broad range of possible City roles in the local telecommunications market, ranging from facilitating the entry of competitive

providers to the Pasadena market, to construction of infrastructure and its lease to the private sector, to direct City provision of services.

To complete this scope of work, staff prepared and sent out a Request for Proposals for telecommunications market assessment services. Eleven responses were received. A panel consisting of the project manager in Information Technology Services, the city's Chief Information Technology Officer, and Water & Power's fiber network engineer reviewed the proposals.

It was the panel's unanimous decision to select Uptown Services, Inc. as the firm best able to meet the City's needs. Proposals were scored based on: proposed approach to accomplishing the work; firm qualifications and experience; price; Affirmative Action compliance; and local business preference. The proposers and their scores appear below. Detail of the assigned ratings is provided in Attachment 1.

Proposer	Total Score
Uptown Services, Inc.	82.8
SFT, Inc.	80.0
ComElectric, Inc.	78.3
Auriga Corporation	76.2
Virchow, Krause	75.8
Network Engineering	72.5
RW Beck	69.2
Evans Associates	65.3
Strategis Group	64.3
GLA Network Technologies	40.7
United Telesystems, Inc.	36.3

The proposed contract includes a base amount of \$93,250 and a 15 percent contingency of \$14,000, for a total not-to-exceed amount of \$107,250. Staff recommends this contingency amount in case residential and business survey response rates are lower than anticipated and additional outreach and surveying is required to attain a statistically valid survey sample size. Uptown's bid was the second lowest received. Bids ranged from \$85,600 to \$247,350.

Uptown Services provides telecommunications consulting services to the private sector and municipal utilities. Uptown's services include strategy development, business modeling, product development, and quality improvement consulting. Past clients include Provo City Power (Utah), Lincoln Electric System (Nebraska), City of Dover (Delaware), America Online, Lockheed Martin, and Lehman Brothers. Uptown's principals have broad experience in the telecommunications arena, having worked for incumbent phone companies, phone company startups, cable TV companies, and telecommunications equipment providers prior to forming Uptown Services.

The recommended proposer also is a partner of the American Public Power Association (APPA) through the Association's Hometown Connections program. APPA established Hometown Connections to help public power utilities become more competitive by

identifying a network of pre-qualified consultants in business arenas of interest to municipal utilities.

Uptown Services has proposed to subcontract surveys of Pasadena residents and businesses to Satisfaction Development Systems (SDS), which specializes in providing customer satisfaction surveys, market research, and focus group facilitation for the public power industry.

The contract to provide these consultant services fully complies with the Affirmative Action in Contracting Ordinance and the rules and regulations promulgated thereunder. In addition, the contract was selected by a competitive selection process required by the City's Affirmative Action in Contracting Ordinance. Formal bidding was not required pursuant to Charter section 1002(F), [professional or unique services].

FISCAL IMPACT

Sufficient funds for this contract are available in the General Fund unappropriated fund balance. As shown in Attachment 2, the General Fund unappropriated fund balance after this appropriation would be \$1,566,295.

Respectfully submitted,



CYNTHIA J. KURTZ
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