

# Agenda Report

May 7, 2012

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Information Technology  
**SUBJECT: AUTHORIZATION TO AMEND THE CONTRACT WITH ARNOLD AND WALTERS TELECOMMUNICATIONS CONSULTANTS FOR TELECOMMUNICATIONS ENGINEERING AND CONSTRUCTION MANAGEMENT SERVICES**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed contract amendment is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061 (b)(3); and
2. Authorize the City Manager to amend the contract with Arnold and Walters Telecommunications Consultants for telecommunications engineering and construction management services by increasing the not-to-exceed contract amount from \$95,000 to \$240,000 to cover the City's growing demand for fiber engineering and construction management services. Competitive bidding is not required pursuant to City Charter Section 1002 (F) Contracts for Professional or Unique Services.

## **BACKGROUND:**

The Department of Information Technology (DoIT) manages the City's fiber optic backbone and related leases of fiber. DoIT has an ongoing need for telecommunications engineering and construction management services to support City use of the fiber backbone and to meet the requirements of fiber lessees for new or re-configured facility connections.

Staff issued a Request for Proposals (RFP) for telecommunications engineering and construction management services on December 16, 2010. Proposals were evaluated based on proposed service approach, qualifications, price, local business location and small or micro-business status. Arnold and Walters Telecommunications Consultants (Arnold and Walters) received the highest scores in each of the evaluation categories.

With regard to price, the RFP required vendors to submit hourly rates for the various types of engineering and construction management roles, irrespective of the volume of work that might be required by the City. Staff scored the price proposals by comparing proposers' hourly rates. Arnold and Walters offered the lowest hourly rates for all categories of engineering and construction management services. In addition, the rates proposed by all but one of the four other proposers were significantly higher than those of Arnold and Walters.

Following receipt of the proposals, staff reviewed the engineering and construction management needs related to anticipated fiber projects and, based on Arnold and Walters' hourly rates, recommended a \$95,000 not-to-exceed amount for the proposed contract. The City Council authorized the award of a contract to Arnold and Walters in the amount of \$95,000 on February 28, 2011 over a two-year term with the option of a one-year extension.

A City Fiber Expansion project was subsequently approved by the City Council as part of the FY2012 Capital Improvement Program budget. This CIP project supports extension of the fiber backbone, connection of additional city facilities, and creation of a link between the Pasadena and Glendale fiber networks. As such, it includes needs for additional fiber engineering and construction management services that were not contemplated at the time of the original contract award recommendation. To date, these additional fiber engineering and construction management requirements have consumed most of the original \$95,000 not-to-exceed amount of the Arnold and Walters contract.

Taking into account fiber expansion projects that are already underway as well as those anticipated during the remaining two years of the contract, staff recommends that the contract's initial \$95,000 not-to-exceed contract amount be increased by \$145,000, for a total not-to-exceed amount of \$240,000.

**COUNCIL POLICY CONSIDERATION:**

The recommended contract is consistent with the Public Facilities Element of the General Plan, and supports the City's goal of improving, maintaining, and enhancing public facilities and infrastructure.

**ENVIRONMENTAL ANALYSIS:**

This action has been determined to be exempt from the California Environmental Quality Act (CEQA) per Section 15061(b)(3). The activity is covered under the general rule that CEQA only applies to projects that have a potential for causing a significant effect on the environment. The proposed action amends an existing contract for required ongoing professional services and will have no impact on the environment.

**FISCAL IMPACT:**

The cost of this contract amendment will be \$145,000 and the total cost of this action will be \$165,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the DoIT Fiber Network Management budget account number 408-399120 and the City Fiber Network Expansion CIP budget account number 301-399120-85-71212. It is anticipated that \$15,000 of the cost will be spent during the current fiscal year. The remainder of the costs will be spent over the next two fiscal years (through March, 2014).

The table below presents a summary of the sources of funds that will be used for the additional request and related contract administration during the remaining term of the contract.

<b>Contract:</b>	
Telecommunications Fund	\$ 70,000
Fiber Expansion CIP	\$ <u>75,000</u>
<b>Total Additional Request</b>	145,000
<b>Contract Administration:</b>	
Computing & Comm. Fund	\$ <u>20,000</u>
<b>Total Sources</b>	\$ 165,000

The following table presents an overall contract summary:

Original Contract	\$	95,000
Additional Request	\$	<u>145,000</u>
<b>Revised Contract</b>	\$	<b>240,000</b>
Contract Administration	\$	<u>30,000</u>
<b>Total Fiscal Impact</b>	\$	<b>270,000</b>

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

Costs for work performed to support companies leasing fiber from the City will be appropriately allocated and charged.

Respectfully submitted,

  
PHILLIP LECLAIR

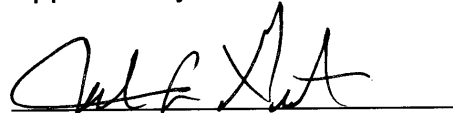
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For  
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