



Agenda Report

January 25, 2021

TO: Honorable Mayor and City Council
FROM: Department of Information Technology
SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH GRAYBAR ELECTRIC COMPANY, INC FOR THE PURCHASE OF INFRASTRUCTURE VOICE AND DATA CABLING, PARTS, AND HARDWARE FOR AN AMOUNT NOT TO EXCEED \$265,456

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed contract is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061 (b) (3);
2. It is recommended that the City Council: i) accept the bid dated November 24, 2020 submitted by Graybar Electric Company Inc. in response to specifications for Infrastructure Voice and Data Cabling, Parts, and Hardware; ii) reject all other bids received; and iii) authorize the issuance of a three-year contract for an amount not to exceed \$154,545; and
3. Authorize the City Manager to extend the contract for two optional one-year terms in the amount of \$54,636 and \$56,275 respectively, with a maximum contract length of five years and a not to exceed contract amount of \$265,456.

BACKGROUND:

The Department of Information Technology (DoIT) works with other City departments on a continual basis to purchase standardized communications related materials and supplies such as cables, structured wiring, faceplates, and main distribution frames on projects such as, office remodels and moves, new facilities, and any additions requiring updated infrastructure to meet all the network requirements for voice and data services that departments require for their business operations. Historically, DoIT staff has opened annual informally bid purchase order contracts to fulfill this need, but is looking to gain efficiencies by obtaining the best pricing through a multi-year contract.

Given this, DoIT staff prepared and published a bid specification for Infrastructure Voice and Data Cabling, Parts, and Hardware on November 3, 2020, and in accordance with Section 4.08.070 of the Pasadena Municipal Code, bids were requested and received.

In addition to the Notice Inviting Bids listed on the City's website, the bid specification was also advertised in the Pasadena Journal and the Pasadena Weekly. Staff also made efforts to contact potentially qualified Pasadena based companies to inform them of this opportunity and encourage them to submit a bid.

A total of 37 vendors obtained the bid package, one of whom submitted a bid. Following advertising, the lone responsive bid received on November 24, 2020 is as follows:

Vendor	Location	Amount
1. Graybar Electric Company, Inc.	Diamond Bar, CA	\$62,579.28

The fact that only one bid was submitted is likely due to the extensive list of specific parts in the bid specification. However, the City has utilized Graybar in prior years, and based on their prior performance, is confident they can provide the items in a timely, ongoing manner. Therefore, it is recommended that Graybar Electric Company Inc. be awarded a five-year contract, which includes an initial three-year term and two optional one-year extensions for an amount not to exceed \$265,456 for these parts and hardware to fulfill office space expansion and improvement projects as they are not only the sole bidder, but also the lowest responsive and responsible bidder. Based on prior spending trends, staff anticipates that year one spending will not exceed \$50,000, even though the base bid amount, which is a price list of various equipment and anticipated quantities, is greater than that amount. Thereafter, an annual price adjustment is allowed per Section 5.12 of the bid specification, but shall not exceed the rate of the then current Consumer Price Index (CPI) for the latest available preceding twelve month period. For the purposes of calculating the initial three-year contract amount and the two optional one-year extensions, a 3% price adjustment is assumed and compounded in years two through five per the breakdown below:

Contract Year	Amount
1	\$ 50,000
2	\$ 51,500
3	\$ 53,045
4 (Optional)	\$ 54,636
5 (Optional)	\$ 56,275
Total Not to Exceed:	\$265,456

The proposed contract with Graybar Electric Company, Inc. fully complies with the Competitive Bidding and Living Wage Ordinance, and with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 14, 2014.

Graybar Electric is an employee-owned corporation founded in 1869 in Cleveland, Ohio and is currently headquartered in Clayton, Missouri. With a local office in Diamond Bar, California, and across the country, it conducts a wholesale distribution business for electrical, telecommunications, and data networking products, and is a provider of related supply-chain management and logistics services. Graybar serves the

construction market, industrial, commercial, utility, institutional, and government markets, including locally, the City of Los Angeles, as well as the County of Los Angeles. Currently, there are no active contracts with Graybar Electric Company, Inc., but in recent years, the City has procured equipment from Graybar through annual purchase order contracts for as-needed parts and equipment, namely utilizing a government procured contract through U.S. Communities. As a participating agency in U.S. Communities, Pasadena can take advantage of these competitively bid contracts, which provide the best prices available to state and local governments. Last fiscal year, the City utilized a contract procured by the city of Kansas City, Missouri.

COUNCIL POLICY CONSIDERATION:

The proposed contract supports the City Council's strategic goal to improve, maintain and enhance public facilities infrastructure; to provide a high quality of public service, which adds to the quality of life in the City and increases its attractiveness through more efficient management of resources.

ENVIRONMENTAL ANALYSIS:

This contract is exempt from CEQA per section 15061(b) (3), the General Rule. The General Rule can be applied when it can be seen with certainty that the activity will not have a significant effect on the environment. The proposed action will not result in any new development or physical changes.

FISCAL IMPACT:

The cost of this action will be \$154,545 for the initial three-year term of the contract. Annual funding for this action will be addressed by the utilization of existing budgeted appropriations in account 50114003-810900 and in the DoIT Equipment Lifecycle Replacement FY 2020-FY2024 Capital Improvement Program Project (71165) for equipment related to capital initiatives. For FY 2021, the cost is estimated at \$16,700. Expenses for the two optional one-year extensions totaling \$110,911, if exercised, will be funded similarly. There are no indirect or support costs anticipated as a result of this contract award.

The following table represents a contract summary for the initial three-year period:

FY2021 Contract Amount	\$ 16,700
Future Contract Amount	\$ 137,845
Total Fiscal Impact	\$ 154,545

Respectfully submitted,



PHILLIP LECLAIR
Chief Information Officer
Department of Information Technology

Prepared by:



for

Stephanie Riancho-Rush
IT Analyst
Department of Information Technology

Approved by:



STEVE MERMELL
City Manager

Attachment A: Taxpayer Protection Amendment