



# Agenda Report

January 25, 2021

**TO:** Honorable Mayor and City Council

**FROM:** Department of Information Technology

**SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH DIVAD CORPORATION TO PROVIDE CITYWIDE INFRASTRUCTURE CABLING SERVICES IN AN AMOUNT NOT TO EXCEED \$408,645**

## **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 December 1, 2020 submitted by DIVAD Corporation in response to specifications for Citywide Infrastructure Cabling; ii) reject all other bids received; and, iii) authorize the issuance of a three-year contract for an amount not to exceed \$237,907; and
3. Authorize the City Manager to extend the contract for two optional one-year terms in the amount of \$84,107 and \$86,631 respectively, with a maximum contract length of five years and a not-to-exceed contract amount of \$408,645.

## **BACKGROUND:**

The Department of Information Technology (DoIT) has an ongoing need for repairs, lifecycle replacements, and new installations of infrastructure cabling associated with telecommunications data network connectivity throughout City facilities. Historically, DoIT has employed an outside contractor for as-needed services to augment internal staff to fulfill infrastructure cabling requests from City departments. Requests vary in type and scope and include, but are not limited to, office reconfigurations and remodels, replacement of outdated and failing cable, and new office implementations.

Given this need, DoIT staff prepared and published a bid specification for Citywide Infrastructure Cabling on October 22, 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 through PlanetBids, the bid specification

was also advertised in the Pasadena Journal. Following advertising, 76 companies downloaded information about this bid opportunity, two of which were local Pasadena businesses. Five responsive bids were received by the December 1, 2020 deadline with the following results:

<b>Vendor</b>	<b>Location</b>	<b>Amount</b>
1. DIVAD Corporation	Irvine, CA	\$ 76,970.16
2. Intellinet Inc.	Corona, CA	\$ 84,232.00
3. Federal Technology Solutions, Inc.	Corona, CA	\$ 92,127.96
4. Premier Cabling Solutions, Inc.	Alhambra, CA	\$121,864.00
5. AAA Solar Electric, Inc.	Buena Park, CA	\$127,173.00

Based on the results above, it is recommended that DIVAD Corporation be awarded a five-year contract, which includes an initial three-year term and two optional one-year extensions, for a total no to exceed amount of \$408,645 to provide these as-needed cabling services, as they are the lowest responsive and responsible bidder. The base bid amount is the anticipated amount for year one of the contract. Thereafter, an annual price adjustment is allowed per Section 5.16 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:

<b>Contract Year</b>	<b>Amount</b>
1	\$ 76,970
2	\$ 79,279
3	\$ 81,658
4 (Optional)	\$ 84,107
5 (Optional)	\$ 86,631
<b>Total Not to Exceed:</b>	<b>\$408,645</b>

The proposed contract with DIVAD Corporation fully complies with the Competitive Bidding and Living Wage ordinances. In addition, the proposed contract fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 14, 2014.

DIVAD Corporation is based in Irvine, CA and has 25 years of experience with cabling, audio/visual, broadcast, and wireless services. It has an extensive clientele base including both public agencies and private companies. Here are a few of their public agency customers: City of Ontario, City of Diamond Bar, County of San Diego, Redondo Beach Unified School District, and El Cajon Unified School District. The City has not

done business with DIVAD Corporation previously and as such, there are currently no active contracts with them.

**COUNCIL POLICY CONSIDERATION:**

This proposed contract with DIVAD Corporation promotes the City Council's goal to improve, maintain and enhance public facilities and 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:**

The proposed 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 is \$237,907 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 50114001-811400, and through billing to department provided accounts based on the type and scope of the requests. For FY 2021, the cost is estimated at \$32,071, with the remaining amount being spent over the next three fiscal years. Expenses for the two optional one-year extensions totaling \$170,738, 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	\$ 32,071
Future Contract Amount	\$205,836
<b>Total Fiscal Impact</b>	<b>\$237,907</b>

Respectfully submitted,



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