

# Agenda Report

October 18, 2021

**TO:** Honorable Mayor and City Council

**FROM:** Department of Public Works

**SUBJECT: AUTHORIZATION TO ENTER INTO CONTRACTS WITH HR GREEN PACIFIC, INC. AND WITH KOA CORPORATION TO PROVIDE AS NEEDED TELECOMMUNICATIONS FACILITIES PERMIT PROCESSING AND CONSTRUCTION MANAGEMENT SERVICES IN AN AMOUNT NOT TO EXCEED \$1,500,000 FOR EACH CONTRACT**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3) the Common Sense Exemption (formerly the General Rule) that CEQA only applies to projects that may have an effect on the environment;
2. Authorize the City Manager to enter into a contract, based on a competitive selection process pursuant to Pasadena Municipal Code Section 4.08.047, for professional or unique services, with HR Green Pacific, Inc. for As-Needed Telecommunications Facilities Permit Processing and Construction Management Consultant Services for a period of five years in an amount not to exceed \$1,500,000; and
3. Authorize the City Manager to enter into a contract, based on a competitive selection process pursuant to Pasadena Municipal Code Section 4.08.047, for professional or unique services, with KOA Corporation for As-Needed Telecommunications Facilities Permit Processing and Construction Management Consultant Services for five years in an amount not to exceed \$1,500,000.

## **BACKGROUND:**

The Department of Public Works is seeking qualified consulting firms to perform services on permit application review and processing, and construction management and inspection of telecommunication facilities. The services are rendered for the proposed installation of telecommunication facilities within the public right-of-way, in

conformance with Pasadena Municipal Code (P.M.C.) Chapter 12.22 - Telecommunication Facilities in the Public Right-of-way, and all applicable City and Federal Communications Commission (FCC) standards and requirements.

The permit review and processing services include review of application packages of construction drawings, structural calculations, and technical reports; coordination with applicants and internal city staff; management of notice distributions and site postings by applicants; project tracking with timely responses to comply with FCC shot clock regulations; and preparation of findings such as incomplete notices, decision letters, and draft entitlement permits.

The construction management and inspection services include oversight of all construction activities of permitted telecommunication facilities; management of construction schedules for both contractors and inspectors; coordination with and outreach to all stakeholders; inspection and site monitoring in accordance with approved drawings and conditions; responses to requests for information, complaints, and field complications; documentation of construction daily and weekly reports with photos; and, punch list items through permit closeout.

Major telecommunications carriers including Verizon, T-Mobile and AT&T and/or their representatives have shared their citywide master plans. A significant number of small cell sites are being proposed for installation within the public right-of-way in the next three to five years. The City anticipates approximately 170 application submittals to Public Works over the next year. While most of the proposed sites are in the vicinity of the Rose Parade route and the City's densely populated business districts, installations are also proposed within residential areas to enhance any insufficient coverage.

The Department of Public Works issued a Request for Proposals (RFP) for As-Needed Telecommunications Facilities Permit Processing and Construction Management Consultant Services on June 21, 2021. The City received three proposals on July 13, 2021 in response to the RFP. Below is a list of the three proposers:

<b>Firm</b>	<b>City</b>
HR Green Pacific, Inc.	Corona, California
KOA Corporation	Monterey Park, California
A1 Management & Inspection	Los Angeles, California

Based on the evaluation process and criteria specified in the RFP, the firms were scored and ranked by panel of staff from the Department of Public Works and the Department of Water and Power. The evaluation criteria include the consultants' experience, technical competence, time commitment and availability, fees proposal, comparable references, and local and/or small or micro-business status. Due to the projected high volumes of permit applications and ensuing construction, HR Green Pacific, Inc. and KOA Corporation were the two highest ranked companies and are recommended to be selected to provide as-needed consulting services for permit processing and construction management of telecommunications facilities.

HR Green Pacific, Inc. is well versed in plan review, permit processing, and construction management for telecommunications facilities in regards to both streetlight design and radio frequency emissions. They have managed small-cell installations and processed permits for approximately 30 municipalities across the country, including eight cities in Southern California. The company also provides consultation in broadband and fiber network projects. The City has no current or past contract with HR Green Pacific, Inc.

KOA Corporation is equally qualified in the capacity of plan review, permit processing, and construction management for telecommunications facilities in regards to streetlight and signal design. KOA has been providing similar services to the City over the past five years approximately in the amount of \$345,000 under current Contract No. 30,784 for On-Call Project Management Professional Services, which expires in March 2022.

Based on recent discussions with various telecommunications carriers, it is projected that approximately 200 new applications for work at various locations will be submitted to the City in the next five years. The average fee proposed for each permit application review, processing, issuance, and construction inspection is \$15,000. The estimated total cost will be \$3,000,000.

Based on the proposal ratings as shown in Attachment A, it is recommended that the City enter into contracts with HR Green Pacific, Inc. and KOA Corporation, each for five years in an amount not to exceed \$1,500,000, commencing the date that the contract is fully executed. The consultant work will be distributed equally between HR Green Pacific, Inc. and KOA Corporation.

#### **COUNCIL POLICY CONSIDERATION:**

The proposed contracts are consistent with the City Council's goals to improve, maintain and enhance public facilities and infrastructure, support and promote the quality of life and local economy, and ensure public safety.

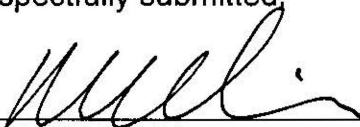
#### **ENVIRONMENTAL ANALYSIS:**

The proposed action herein is exempt from CEQA review pursuant to State CEQA Guidelines Section 15061(b)(3). The contracts are covered by the Common Sense Exemption (formerly the general rule) that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to the provisions of CEQA. These contracts would retain the consultants for professional services only. The specific design and subsequent construction of each telecommunications facilities application within the public right of way will be subject to appropriate project-level environmental review by the City.

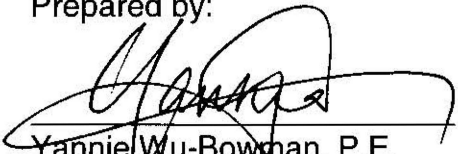
**FISCAL IMPACT:**

The combined cost of the two proposed contracts is a maximum of \$3,000,000 over a five year period. HR Green Pacific, Inc. and KOA Corporation will not be receiving any City funds in providing their services. The City requires the applicants of the proposed telecommunications facilities to submit sundry deposits for the review and processing of the permit applications, as well as inspection costs of the subsequent issued permits. These deposits are categorized as recoverable costs and separate from the license fee as governed by FCC. The funds from these deposits will be used to pay these companies for their consultation services.

Respectfully submitted,

  
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KRIS MARKARIAN, P.E.  
Director of Public Works

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Approved by:

  
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STEVE MERMELL  
City Manager

Attachment A – Proposal Ratings