

CITY COUNCIL ACTION REQUEST

Department(s): Finance	CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	Coordination: Departments of Transportation and Information Technology; Office of Employee Relations, Public Works Office of Equality Assurance, City Attorney's Office, and City Manager's Budget Office	Dept. Approval: /s/ Julia H. Cooper
Council District(s): Citywide			CMO Approval: <i>Gregory A. Hoagline</i> 11/15/17

SUBJECT: ACTIONS RELATED TO THE PURCHASE ORDER FOR FIBER OPTIC CABLE INSTALLATION, REPAIR, SPLICING, AND TESTING SERVICES

RECOMMENDATION:

Adopt a resolution authorizing the City Manager to:

1. Execute a Purchase Order with Aegis ITS, Inc. (Anaheim, CA) for fiber optic cable repair, splicing and testing services for a three-year term starting on or about November 28, 2017 and ending on or about November 27, 2020, for an amount not-to-exceed \$354,864; and
2. Purchase additional services as needed, subject to the same unit pricing, terms, and conditions, and the appropriation of funds.

Desired Outcome: To ensure the City's fiber optic system is scalable and functioning optimally.

BASIS FOR RECOMMENDATION:

Department of Transportation (DOT) requires on-call fiber optic cable repair, splicing, and testing services at various City locations. Increased vandalism and development activities throughout the City has placed a significant strain on internal resources to maintain its traffic signal and communications infrastructure. Quickly responding to fiber optic outages or planned system expansion is vital to maintaining reliable infrastructure. Therefore, additional resources are required to provide timely support to maintain critical fiber optic infrastructure.

A competitive Request for Quote (RFQ) was facilitated by the Finance Department to procure on-call fiber optic cable installation, repair, splicing and testing services. Thirty-eight firms viewed the solicitation and one bid was received from Aegis ITS, Inc. Since only one bid was received, staff reached out to several firms that showed an interest in the bid to understand why they elected not to submit a bid. Feedback was that they were at capacity and unable to take on additional business, or they did not possess the required C7 (low voltage) contractor license.

Staff recommends award of the Purchase Order to Aegis ITS, Inc. as the sole responsive, responsible bidder pursuant to the formal bidding procedures of the San José Municipal code.

Commission Requirements: This item does not have input from board or commission.

Office of Equality Assurance: Living Wage or Prevailing Wage, whichever is higher, is applicable to work under this purchase order.

This Council item is consistent with the 2017-2018 Adopted Operating Budget Service Delivery Framework for the Strategic Support City Service Area; "to effectively develop, manage and safeguard the City's fiscal, physical, technological and human resources to enable and enhance the delivery of City services and projects that provide the community with safe, secure, and efficient surface transportation systems that support San José's livability and economic vitality."

COST AND FUNDING SOURCE:

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract*	2017-2018 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No)
429	7840	ITS: On-Call Fiber Optic Support	\$77,000	\$76,000	954	6/20/2017 Ord No. 29962
429	5062	Safety – Traffic Signal Rehabilitation	\$650,000	\$4,000	1,018	6/20/2017 Ord No. 29962
Total Current Funding Available			\$727,000	\$80,000		

*Years two and three of the contract are subject to the appropriation of funds.

FOR QUESTIONS CONTACT: Mark Giovannetti, Deputy Director, Finance at 408-535-7052