



**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Finance	<b>CEQA:</b> Categorically Exempt, File No. PP19-024, CEQA Guidelines Section 15303(d)	<b>Coordination:</b> Information Technology Department, City Attorney’s Office, and City Manager’s Budget Office	<b>Dept. Approval:</b> /s/ Julia H. Cooper
<b>Council District(s):</b> Citywide	New Construction of Small Structures		<b>CMO Approval:</b> <i>[Signature]</i> 6/19/2020

**SUBJECT: ACTIONS RELATED TO PURCHASE ORDER WITH SMARTWAVE TECHNOLOGIES, LLC FOR RUCKUS WI-FI INSTALLATION, SUPPORT, AND MAINTENANCE**

**RECOMMENDATION:**

Adopt a resolution authorizing the City Manager to execute a citywide purchase order with SmartWAVE Technologies, LLC (“SmartWAVE”) (Alpharetta, GA) for new Ruckus Wi-Fi installations, including related labor, equipment, materials, and support and maintenance, through April 20, 2021 for a maximum compensation not to exceed \$600,000, subject to the appropriation of funds.

**Desired Outcome:** To provide, maintain, and expand internet access and services to City employees and residents.

**BASIS FOR RECOMMENDATION:**

The Information Technology Department (ITD) is responsible for overseeing design, installation, support, and maintenance of the City’s indoor and outdoor Wi-Fi network, currently with access points at over thirty (30) locations citywide. The Wi-Fi network provides free internet service to City residents, enables wireless work connectivity at City facilities, and supports business transactions at equipped facilities. In support of the City’s Smart City Vision and departmental operating priorities, ITD ensures that contractual capacity exists to expand, enhance, and maintain the City’s Wi-Fi network in support of City departments and initiatives, as departmental budgets allow.

In 2011, the City released a Request for Quotation to develop a vendor partnership to revitalize the City’s downtown with a fast wireless network. As a result of that bid, the City received a donation of Ruckus Wi-Fi equipment, which was installed throughout the downtown corridor. In 2014, the City released a Request for Proposal (RFP) for the maintenance and expansion of the Ruckus Wi-Fi network. The RFP included a one-year initial term with five (5) additional options and was awarded to SmartWAVE, the sole respondent. The City has been utilizing SmartWAVE by leveraging that RFP solicitation process, but the term of the RFP has expired.

Therefore, a new Request for Bid (RFB) was issued by the Finance Department for Ruckus Wi-Fi installation, support, and maintenance. The RFB was posted from February 28, 2020, through March 23, 2020. 475 vendors were invited to participate, and 22 vendors downloaded the bid. One responsive bid was submitted by SmartWAVE Technologies, LLC, and no protests were received.

SmartWAVE maintains a local office and equipped crews in San José, and requested and received the local and small business enterprise preference, but the preference did not affect the outcome. Because only one bid was received, staff contacted several firms that downloaded the bid but did not submit a response. Feedback included that (1) they did not meet the certification requirements and minimum qualifications for the bid, (2) they did not intend to bid, but are a Ruckus supplier or that the bid was relevant to their partners and contractors so they downloaded it for informational purposes, and/or (3) they had a medical emergency and were out of the office at the time of bid closing. Pursuant to the bidding procedures of the San José

Municipal Code, Section 4.12.310.B, staff recommends award to SmartWAVE as the sole responsive and responsible bidder.

A purchase order was issued to the vendor under the City Manager's Contract Authority for \$99,940 for ongoing maintenance and support of the City's existing Ruckus Wi-Fi network through April 20, 2021. Costs for new installations will include labor provided at established rates, Ruckus hardware at 35% off list price, incidental non-Ruckus items required for turn-key installation at cost plus 20%, and pro-rated maintenance and support from the date of installation through April 20, 2021 based on an annual rate of \$113 per indoor access point and \$248 per outdoor access point.

This solicitation was conducted prior to the COVID-19 pandemic, and demand for these products and services is now far beyond what was originally anticipated in the solicitation. To ensure that the City receives the most competitive pricing for the increased volume, staff will be releasing a new bid based on revised projections. The new solicitation will be leveraged for non-federally funded projects to expand Wi-Fi access and support the City's efforts to bridge the digital divide, as well as support new work patterns required to deal with safe COVID-19 practices. There will be a separate solicitation for the same products and services conducted in accordance with federal procurement requirements for federally-funded projects.

Approval of this recommendation will allow staff to move forward with the more pressing installations, such as at the Airport, while the new bid is completed.

Climate Smart San José: The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

Commission Recommendation/Input: There is no commission recommendation or input associated with this action.

Office of Equality Assurance: City of San José Prevailing Wage is applicable for this purchase order.

This Council item is consistent with the City's 2019-2020 Adopted Budget City Areas Delivery Framework: "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."

**COST AND FUNDING SOURCE:**

Products and services provided under this purchase order will be managed by ITD on behalf of various City departments. The recommendation gives the City the capacity to expand the existing Wi-Fi network but will be initiated only if funding is identified first. The project scopes, costs, and funding sources, as well as any ongoing maintenance and support, will vary and be subject to the appropriation of funds. ITD will pay the vendor and charge the requesting departments directly for all work performed under the purchase order.

**FOR QUESTIONS CONTACT:** Jennifer Cheng, Deputy Director of Finance, at (408) 535-7059