


**CITY COUNCIL ACTION REQUEST**

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| <b>Department(s):</b><br>Finance        | <b>CEQA:</b><br>Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. | <b>Coordination:</b><br>Information Technology Department, City Attorney's Office, City Manager's Budget Office, and Department of Public Works' Office of Equality Assurance | <b>Dept. Approval:</b><br><br>/s/<br>Julia H. Cooper   |
| <b>Council District(s):</b><br>Citywide |  |   | <b>CMO Approval:</b><br><br><b>3/3/2021</b> |

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

**RECOMMENDATION:**

Adopt a resolution authorizing the City Manager to:

1. Execute purchase orders with SmartWAVE Technologies, LLC ("SmartWAVE") (Alpharetta, GA) for up to four (4) one-year option terms through April 20, 2025 for new and existing Ruckus Wi-Fi installations, including related labor, equipment, materials, maintenance, and support with a maximum compensation not to exceed \$300,000 for the option period beginning April 21, 2021 through April 20, 2022, subject to the appropriation of funds; and
2. Amend purchase orders as required for any unanticipated changes such as increases in demand, 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) oversees installation, support, and maintenance of the City's indoor and outdoor Wi-Fi network, which currently includes access points at over thirty (30) locations citywide. The City Wi-Fi network provides free internet service to residents, enables wireless work connectivity at City facilities, and enables business transactions at equipped facilities. In support of the City's Smart City Vision and departmental operating priorities and initiatives, ITD ensures that contractual capacity exists to expand, enhance, and maintain the City Wi-Fi network as departmental budgets allow.

In February 2020, a competitive Request for Bid (RFB) was issued by the Finance Department for Ruckus Wi-Fi installations, maintenance, and support. Staff recommended the award to SmartWAVE as the sole responsive and responsible bidder pursuant to the bidding procedures of the San José Municipal Code, Section 4.12.310.B. In June 2020, Council authorized staff to execute a citywide purchase order with SmartWAVE for \$600,000 for installations, maintenance, and support of the City's existing Ruckus Wi-Fi network through April 20, 2021.<sup>1</sup> Costs for new installations 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 maintenance and support based on an annual rate of \$113 per indoor access point and \$248 per outdoor access point pro-rated based on the time of installation.

Staff previously anticipated a significant spike in demand for these products and services that was well beyond what was specified in the RFB and that a new procurement would be necessary. Demand did increase, but most of the projected increase was attributable to one large project for the Airport that is now

<sup>1</sup> Council Resolution June 2020: <https://records.sanjoseca.gov/Resolutions/RES79629.pdf>

almost complete. Excluding the Airport project, demand for the next four (4) years is expected to be in line with the previous bid amounts so a new procurement is no longer necessary. The current purchase order expires on April 20, 2021, and there are no options to extend.

Approval of this recommendation will enable staff to issue purchase orders for up to four (4) one-year option periods to provide ongoing installations, maintenance, and support for the City's Wi-Fi network without rebidding.

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: Prevailing Wage is applicable to these purchase orders.

This Council item is consistent with the City's 2020-2021 Adopted Budget City Service 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 [jennifer.cheng@sanjoseca.gov](mailto:jennifer.cheng@sanjoseca.gov).