



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Robert Davis
Darryl Von Raesfeld
Katy Allen

SUBJECT: SEE BELOW

DATE: 03-03-08

Approved

Date 3/7/08

COUNCIL DISTRICT: Citywide

SUBJECT: REPORT ON BIDS AND AWARD OF DESIGN-BUILD CONTRACT TO THE LOWEST RESPONSIVE BIDDER SASCO DATA CORPORATION FOR THE PAB & PAC BUILDINGS TELECOM CABLING UPGRADE PROJECT

RECOMMENDATION

Report on bids and award of a design-build contract for the Police Administration Building (PAB) & Police Communications Building (PAC) Telecom Cabling Upgrades to the low bidder, SASCO Data Corporation, for the base bid and an Add Alternate in the total amount of \$1,383,797, and approval of a contingency in the amount of \$210,000.

OUTCOME

Approval of this design-build contract to SASCO Data Corporation will allow the PAB & PAC Buildings Telecom Cabling Upgrade project to improve communication support systems in both buildings. Approval of a standard 15% contingency for a remodel/retrofit project will provide funding for any unanticipated work necessary for the completion of this project.

EXECUTIVE SUMMARY

The proposed design-build contract will replace computer network cabling for the Police Administration Building and the Police Communication Building to provide higher capacity cabling to support enhancements to mission critical applications. Three bids were received of which two were deemed non-responsive. The lowest responsive bid was received from SASCO Data Corporation and is approximately 35% below the Engineer's Estimate for the base project and the single Add Alternate. Recent easing of construction escalation as well as the bidder's familiarity with the facilities from extensive prior work may account for the favorable bid.

BACKGROUND

The City is seeking to implement a plan for the installation of new and upgraded computer networking systems on each floor of both the Police Administration Building (PAB) located at 201 West Mission Street and the Police Communication Building (PAC) located at 855 North San Pedro Street. The proposed project will upgrade the cabling substructures to support current and future network needs due to the increased use of technology and the addition of Voice Over Internet Protocol (VOIP) as the primary mode of phone communications.

The PAB building is the core administrative facility that houses the Police Department's 24/7 activities and operations. The PAC building is the heart of the communication monitoring center for police and fire. The Police and Fire Communication Dispatch Centers located on the fourth floor of the PAC Building serve as two of the most critical strategic support structures for the two departments' core services, prevention and response. The operation of the Office of Emergency Services (OES)/Emergency Operation Center (EOC), Emergency Public Information Office (EPIO) during major incidents counts heavily on functional, highly responsive support systems.

In that regard, the networking and telephone cabling upgrade in the subject contract will improve the network's overall structure and organization. It will allow the EOC, EPIO, Fire, OES and Police Communications to meet current needs, expand their respective operational facilities, as well as address future growth. One key element of the network upgrades will allow the subsequent installation of a VOIP system that will greatly enhance the interoperability between communication systems on a daily basis and especially during catastrophic events. The proposed network also lays the groundwork for seamless integration with systems and technology located at City Hall and with the future Southern police substation.

ANALYSIS

The base bid scope of work includes the design-build of the removal of existing cables and conduits and the installation of new wiring and conduits in both the PAB & PAC buildings. The add alternate to include an upgrade to high capacity "CAT6A" cable and termination devices capable of achieving 10 Gigabits per second, which is 10 times the capacity of standard cabling. This "CAT6A" cable is capable of handling current and future data bandwidth needs as well as Power over Ethernet (POE) for use with the VOIP telephone system. This was included in the bid package to solicit for a market price quote to allow staff to analyze the possibility of upgrading if the proposed price is within budget.

Bids were opened on January 15, 2008 with the following results for the base bid:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Cupertino Electric, Inc. (San José)	\$1,899,439.00	\$422,439.00	29
Engineer's Estimate	1,477,000.00	-	-

Livewire Information System (Seaside)	1,428,110.85	(48,889.15)	(3)
SASCO Data CORPORATION (Santa Clara)	1,096,410.00	(380,590.00)	(26)

In addition to the base bid scope of work there is one Add Alternate bid item:

Add Alternate Description:

Add Alternate : Install Cat 6A in lieu of Cat 6 Cables and Patch Panels

Breakdown of bids including one add alternate:

<u>Contractor</u>	<u>Base Bid</u>	<u>Add Alt</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>Over/ (Under) Percent</u>
Cupertino Electric, Inc.	\$1,899,439.00	\$59,332.00	\$1,958,771.00	\$91,771.00	5
Engineer's Estimate	1,477,000.00	390,000.00	1,867,000.00	-	-
Livewire Information Systems	1,428,110.85	not submitted	1,428,110.85	(438,889.15)	(31)
SASCO Data Corporation	1,096,410.00	287,387.00	1,383,797.00	(483,203.00)	(35)

Three bids were received for the project. The low bid submitted by SASCO Data Corporation is 35% below the Engineer's Estimate for the base bid and the add alternate. The Engineer's Estimate projected a continuation in the trend of escalating construction costs experienced over the past several years and allowances for bidders lack of familiarity with the existing conditions. The low bid value may be due to recent easing in construction escalation and the experience SASCO Data Corporation has accumulated through past work conducted at these same two City essential facilities.

The other two bids received did not include signed copies of bid addenda. Section 2-1.14 of the City Standard Specifications states that "The bidder's failure to sign and submit any or all addenda with the bid shall be a cause for rejection of the bid." Therefore the bids submitted by Cupertino Electric, Inc. and Livewire Information Systems are rejected. The only responsive bid proposal is the low bid submitted by, SASCO Data Corporation.

Staff recommends awarding the contract to the low bidder SASCO Data Corporation.

EVALUATION AND FOLLOW-UP

Approval of the recommendation identified in this memorandum will enable the project to move forward into the design phase by utilizing the existing plans and schematic plans staff provided. In addition to the base bid, staff recommends award of the Add Alternate as part of the contract due to the favorable price for each submitted by the lowest bidder. The design and construction period will be 11 months; therefore, the project will be completed in spring of 2009. At this time, no other issue is anticipated for follow-up with Council.

POLICY ALTERNATIVES

Not applicable

PUBLIC OUTREACH/INTEREST

- ✓ **Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater; **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item meets criterion 1: Requires Council action on the use of public funds equal to \$1 million or greater. To solicit contractors this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects were provided to various contractor organizations and builder's exchanges.

This award memo will be posted on the City's website for the March 25, 2008 Council Agenda.

COORDINATION

This project and memorandum have been coordinated with Planning, Building and Code Enforcement, the City Manager's Budget Office, the Office of Emergency Services, the Information Technology Department and the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council-approved Budget Strategy to continue with capital investments that spur construction spending in our local economy. The renovation work of this

PAB & PAC Buildings Telecom Cabling Upgrades will also assist in improving daily 24/7 critical operations and response to community needs.

COST SUMMARY/IMPLICATIONS

1. COST OF PROJECT:

Project Delivery	\$200,000
Construction	1,383,797
Contingency (15%)	210,000
TOTAL PROJECT COSTS	\$1,793,797
Prior Year Expenditures	0
REMAINING PROJECT COSTS	\$1,793,797

2. COST ELEMENTS OF AGREEMENT/CONTRACT: \$1,383,797
 Lump Sum Contract

3. SOURCE OF FUNDING: 425 - Civic Center Construction Fund

4. OPERATING COSTS: This information technology infrastructure project will not increase the Operating and Maintenance costs of these facilities.

BUDGET REFERENCE

The table below identifies the funds and appropriations proposed to fund the contract recommended as part of this memorandum and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. For Contract	2007-2008 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs				\$1,793,797			
Total Funding Available							
425	6149	Police Admin Voice and Data Network Enhancements	150109	\$2,000,000	\$1,383,797	VII-715	10/16/07, Ord. No. 28143
Total Funding Available				\$2,000,000	\$1,383,797		

HONORABLE MAYOR AND CITY COUNCIL

03-03-08

Subject: PAB & PAC Buildings Telecom Cabling Upgrades

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CEQA

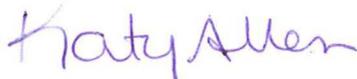
CEQA: Exempt, PP07-275



ROBERT DAVIS
Chief of Police



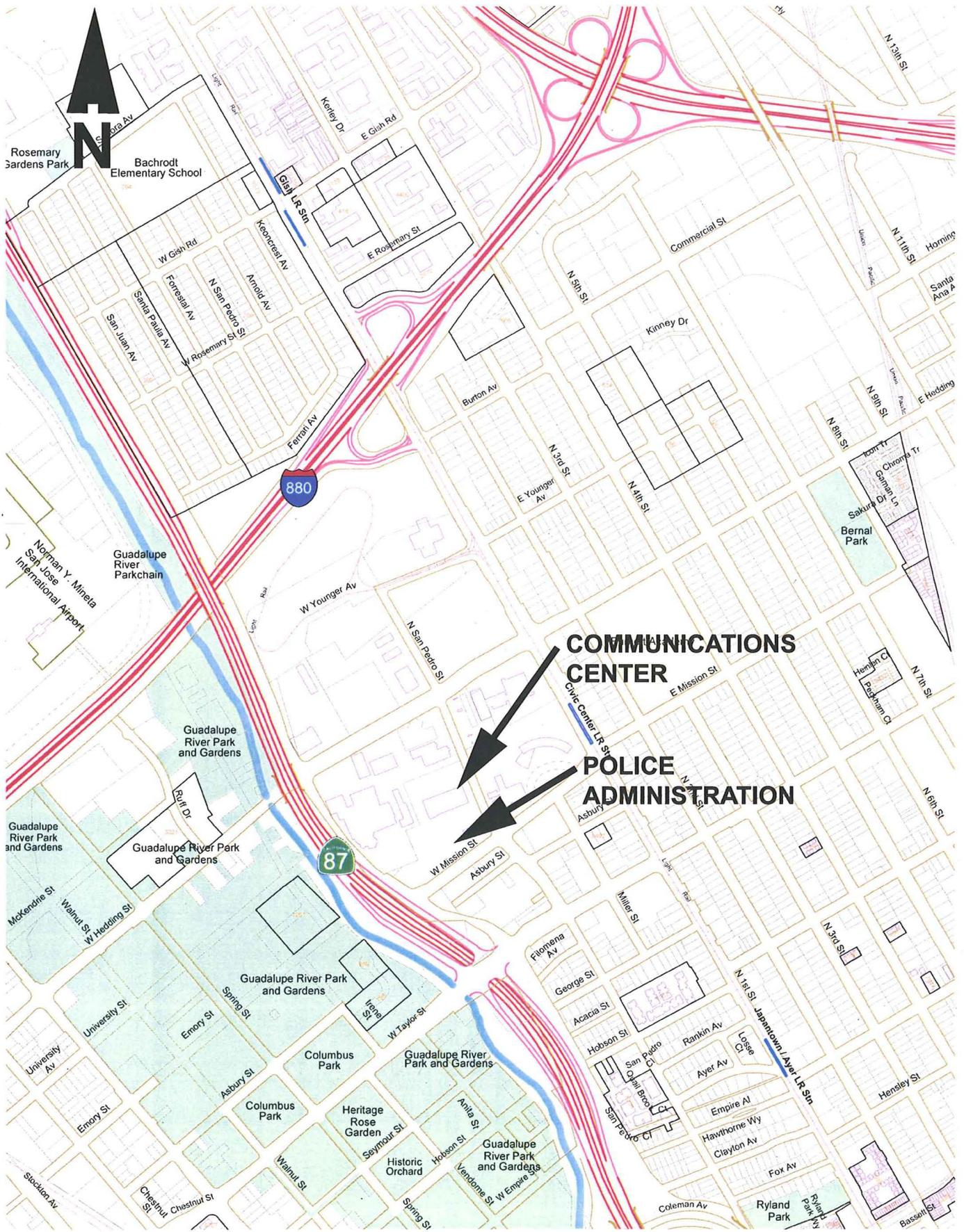
DARRYL VON RAESFELD
Acting Chief of Fire Department



KATY ALLEN
Director, Public Works Department

For questions please contact DAVID SYKES, ASSISTANT DIRECTOR, PUBLIC WORKS DEPARTMENT, at 408-535-8300.

Attachment
KJ:DP/ac



**POLICE ADMINISTRATION & COMMUNICATIONS CENTER
LOCATION MAP**
Not to Scale