



COUNCIL AGENDA: 05-17-05

ITEM: 2.13

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

SUBJECT: SAN JOSE NEW CITY HALL
FILE STORAGE

DATE: 04-27-05

Approved

Date

5/3/05

Council District: Citywide
SNI: University

RECOMMENDATION

Report on bids and award of contract for the San José City Hall File Storage Project to the low bidder, Systems & Space, Inc., in the amount of \$105,560, and approval of a contingency in the amount of \$10,500.

CEQA: Civic Plaza Redevelopment Plan EIR, Resolution No. 68905, PP98-03-072.

BACKGROUND

On March 9, 2004, Council directed staff to proceed with the procurement of technology, furniture, equipment and relocation services. In addition, a work plan for implementation of individual procurements and cost saving strategies was reviewed and approved by Council.

Included in the work plan is procurement and a cost estimate titled "FE1 – Furniture Program." The furniture program consists of both systems (modular) furniture and freestanding furniture. The system furniture contract was awarded on January 25, 2005 and the freestanding furniture was awarded on April 12, 2005.

ANALYSIS

The award of the contract will provide the delivery and installation of compact file storage systems and bulk shelving in the New City Hall. The scope of work also includes the dismantle, transfer, and installation of lateral high-density shelving from an existing location to the New City Hall.

Bids were opened on April 21, 2005 with the following results:

<u>Contractor</u>	<u>Base Bid</u>	<u>Alternate</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Engineer's Estimate	\$355,000	\$20,000	\$375,000	-	-
TAB Products Co. (Burlingame)	\$157,311	\$15,069	\$172,380	\$(202,620)	(54)
Systems & Space, Inc. (Pleasanton)	\$91,279	\$14,281	\$105,560	\$(269,440)	(72)

The low bid submitted by Systems & Space, Inc. is 72 percent under the Engineer's Estimate. The variance can be attributed to the competitive nature of the industry due to low demand, which has caused firms to become aggressive in their pricing. A third bid was received, but the bidder requested to be relieved of the bid due to a mistake, which made the bid materially different than intended. Staff considers this bid acceptable for the work involved in the project.

Evaluation

In response to the City Council direction that all procurements associated with technology, furniture, equipment, and relocation be evaluated on a number of elements, including: 1) cost/impacts of delaying council action; 2) customer service efficiencies; 3) cost-benefit analysis; and, 4) improved productivity of workforce, staff provides the following analysis:

1) Cost/Impact of Delay

The file storage component of the furniture program is needed in the initial stages of the move in order to provide storage for files. Staff begins moving to the new facility in June 2005 so it is important to enter into the file storage contract now. A delay in awarding the contract will affect the ability to furnish the facility for the scheduled move.

2) Customer Service Efficiencies

The successful furnishing of the facility is critical in assisting staff with providing the most effective customer services.

3) Cost Benefit Analysis

The file storage is needed to fully outfit the building and be of benefit to the public and staff. The compact shelving will maximize file storage utilizing less space than conventional file cabinets.

4) Improved Productivity of Workforce

Improved productivity will occur with the proper furnishing of staff and public spaces throughout the facility. Productivity would be reduced without the proper file storage area for fast and efficient retrieval.

OUTCOME

Approval of this recommendation will result in providing the New City Hall with the compact files and bulk shelving needed to provide file space in a condensed area to maximize available floor space and to provide staff with the resources to increase productivity and provide better customer service.

PUBLIC OUTREACH

To solicit contractors, this project was advertised in the *San José Post Record* and posted on the City's Bid Line.

COORDINATION

This agreement and memorandum have been coordinated with the City Attorney's Office and the City Manager's Budget Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$105,560
2. SOURCE OF FUNDING: 473 – Civic Center Improvement Fund
3. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn	Amt for Contract	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
473	5152	Technology, Furniture, Equip	131360	\$37,242,422	\$105,560	V-1127	10/12/04, Ord. No. 27267

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CEQA

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A handwritten signature in black ink, appearing to read "KATY ALLEN for". The signature is stylized and cursive.

KATY ALLEN

Director, Public Works Department

SPM:spm:civic