



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Katy Allen  
Wandzia Grycz

**SUBJECT:** SAN JOSE CIVIC CENTER  
VOICE/DATA COMMUNICATIONS  
SYSTEMS

**DATE:** 06-15-04

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Approved

Date

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Council District: Citywide  
SNI: University

## **REASON FOR SUPPLEMENTAL MEMO**

To provide additional information after bids were opened.

## **RECOMMENDATION**

Report on bids and award of contract for the San José Civic Center Voice/Data Communications Systems Project to the lowest responsive bidder, IDEX Global Services, in the amount of \$2,990,871, and approval of a contingency in the amount of \$299,000.  
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 for Technology, Furniture, Equipment, and Relocation (TFE&R) is procurement and a cost estimate titled "T5 – Voice and Data Cabling." The T5 item is to fund the horizontal cabling for each floor which is budgeted at \$3,000,000. This contract will provide for voice and data communication throughout the site complex utilizing optical fiber and copper cable. The contract funding will be shared by the TFE&R and construction budgets. The Voice and Data Cabling contract consists of the installation of all low voltage cable including optical fiber and copper cable, connectors, faceplates, racks, cabinets, and any other items required for a completed, standards and code-compliant voice and data communications utility. The scope of work also includes labeling in the telecommunications rooms and at the workstations and verification testing and documentation of each installed cable and termination. The work is

necessary to support the telephone and data systems (VOIP) also proposed for award on this agenda, and all other electronic information systems in the building.

The work includes both the fiber backbone of the system and the horizontal cabling for each floor. The cost breakdown for each is: backbone, 43% or \$1.415 million including a 10% contingency; and horizontal, 57% or \$1.875 million including a 10% contingency. The system backbone will be funded through the construction budget and the horizontal cabling will be funded through the TFE&R budget as planned. This will result in a \$1.125 million savings in the TFE & R budget.

### **ANALYSIS**

Bids were opened on May 20, 2004 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Ceitronics (San José)	\$4,494,793	\$1,494,793	50
Pacific Bell dba SBC (San José)	\$4,151,193	\$1,151,193	38
WBE Telecom (Novato)	\$3,631,458	\$631,458	21
Semans Communications (San José)	\$3,576,931	\$576,931	19
NetVersant (Milpitas)	\$3,561,596	\$561,596	19
Communication Technology (Mountain View)	\$3,430,757	\$430,757	14
Walker Communications (Fairfield)	\$3,199,068	\$199,068	7
SASCO (Santa Clara)	\$3,086,543	\$86,543	3
<b>Engineer's Estimate</b>	<b>\$3,000,000</b>	-	-
IDEX Global Services (San Rafael)	\$2,990,871	(\$9,129)	0
Verizon (Pleasanton)	\$2,351,135	(\$648,865)	(22)

The apparent low bid submitted by Verizon was deemed non-responsive due to the fact that they significantly qualified their bid. The second lowest bid received was from IDEX Global Services. The bid was \$9,129 below the Engineer's Estimate. Staff considers this reasonable for the work involved in the project.

Council Policy provides for a standard contingency of ten percent on public works projects of this type. The standard contingency is appropriate for this project.

### **PUBLIC OUTREACH**

To solicit contractors, this project was advertised in the *San José Post Record* and the City's Internet Bid Line. In addition, Turner/Devcon Joint Venture, Construction Managers, made direct calls to contractors that would be interested in bidding this type of work.

### **COORDINATION**

This agreement and memorandum have been coordinated with the City Attorney's Office, the City Manager's Budget Office and the Department of Planning, Building and Code Enforcement.

### **PROJECT LABOR AGREEMENT**

The City has become a partner with labor by jointly approving a Project Labor Agreement. This agreement will facilitate enforceable, effective performance by the labor force in a peaceful and open work environment and an absence of delays resulting from labor disruption and disputes.

### **COST IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION: \$2,990,871
  
2. COST OF PROJECT:

Construction	\$2,990,871
Contingency	299,000
<b>TOTAL</b>	<b>\$3,289,871</b>
  
3. SOURCE OF FUNDING: 425 – Civic Center Construction Fund  
473 – Civic Center Improvement Fund
  
4. 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.

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**BUDGET REFERENCE**

Fund #	Appn. #	Appn. Name	RC #	Total Appn	Amt for Contract	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
425	4213	Construction	109933	\$84,651,000	\$1,286,075	924	10/14/03, Ord. No. 26997
473	4852	Civic Center Technology Improvements	131549	\$25,700,000	\$1,704,796	n/a	01/13/04, Ord. No. 27503

**CEQA**

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

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SPM:spm:civic