COUNCIL AGENDA: 10-17-06
ITEM: 2.14

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: **SEE BELOW**

DATE: October 4, 2006

Approved Deanna Santana Date 10/5/06

COUNCIL DISTRICT: Citywide

SUBJECT: REPORT ON QUOTES FOR ELECTRICAL MAINTENANCE AND REPAIR SERVICES

RECOMMENDATION

Approval of award of open service orders for Electrical Maintenance and Repair Services and authorize the Director of Finance to execute unencumbered open service orders with Cupertino Electric, Inc. (San Jose, CA), Rosendin Electric, Inc. (San Jose, CA), Ray Scheidts Electric, Inc. (San Jose, CA), and Lopes Electric, Inc. (San Jose, CA) for $200,000 each and a cumulative amount not to exceed $800,000 for the period beginning October 18, 2006 through October 17, 2007.

OUTCOME

With the award of these open service orders, the Department of General Services (GS), Facilities Management Division will keep city building facilities in a condition that enables City Staff to perform all their required duties.

BACKGROUND

The Department of General Services is responsible for providing facility management services for the City's building infrastructure. A part of the City's Facility Management program is the delivery of electrical maintenance and repair services designed to preserve and extend the life of building infrastructure in the most cost effective manner. These services are typically delivered through GS employees.

However, there are times when City staff cannot provide these vital services due to reduced staffing levels or scheduling conflicts. In such instances, staff utilizes service contracts to supplement their ability to deliver quality services and meet required timelines for the various City facilities.

ANALYSIS

A Request for Quotation, which allowed for multiple awards, was advertised on the City's Internet Bid-Line on July 21, 2006 and was emailed to five electrical contractors. Four quotes were received by the August 4, 2006 deadline as follows:

- Cupertino Electric, Inc. (San Jose, CA)
- Rosendin Electric, Inc. (San Jose, CA)
- Ray Scheidts Electric, Inc. (San Jose, CA)
- Lopes Electric, Inc. (San Jose, CA)

Each quote was deemed responsive and satisfied the City's requirements for prevailing wages, insurance, and licensing. In addition, all bidders provided hourly wage rates for various labor classifications.

Staff recommends award to each company. This will enable GS the flexibility to utilize the supplier best suited for each specific task. Maintenance and repair projects that are estimated to be lower than the minimum bidding requirement in the San Jose Municipal Code, currently at $5,000, will be assigned on a rotating basis. If the City's estimate for a job is higher than the minimum bidding requirement, GS will then require each contractor to submit a job quote and will award the project to the contractor submitting the lowest job quote. The City's Small Business Preference will be applied at the time of receiving quotes for jobs with a value above $5,000.

Contracting-In: The Contracting-In form was reviewed by applicable bargaining units and approved on October 3, 2006.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- ☐ **Criteria 1:** Requires Council action on the use of public funds equal to $1 million or greater. **(Required: Website Posting)**
- ☐ **Criteria 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)**
- ☐ **Criteria 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)**

While this recommendation is below the $1 million threshold, this memorandum will be posted on the City's website for the October 17, 2006 Council Agenda.

As mentioned above, this requirement was advertised on the City's internet Bid-Line.

COORDINATION

This memorandum has been coordinated with General Services, the City Manager's Budget Office, and the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This action is consistent with the following General Budget Principles "We must focus on protecting our vital core city services for both the short- and long-term" and "We must continue to streamline, innovate, and simplify our operations so that we can deliver services at a higher quality level, with better flexibility, at a lower cost".

COST SUMMARY IMPLICATIONS

These service orders for the purchase of electrical maintenance and repair services for City facilities will be opened in the total amount not to exceed $800,000. The costs are decentralized and will be paid for through various department funds.

BUDGET REFERENCE

The funding for these unencumbered open purchase orders is budgeted in various department appropriations.

CEQA

Exempt, PP06-031.

SCOTT P. JOHNSON
Director, Finance

For questions please contact Walter C. Rossmann, Chief Purchasing Officer at 535-7051.