

SENT TO COUNCIL: APR 28 2004

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Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Ed Shikada
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SUBJECT: PROGRESS REPORT ON
NEW CITY HALL TFE&R

DATE: A1

Approved

Date

4-28-04



The New San José City Hall
INFORMATION
NON-CONSTRUCTION ACTIVITY

This memorandum provides the first monthly progress report on the procurement of Technology, Furniture, Equipment, and Relocation (TFE&R).

As directed by the City Council on March 9th, this report provides an overview of key actions taken on the non-construction procurements needed for timely and cost-effective completion and occupancy of the New City Hall. Included is a summary of expenditures approved to date by the City Council as well as those approved under the City Manager's authority, along with other related actions and a forecast of those actions to be initiated within the next 60 days.

ANALYSIS

Since the March 9th City Council approval of a workplan for TFE&R procurement, work has continued on many of the workplan elements. This has included the following key milestones involving the City Council:

- ❑ On March 23rd, the City Council approved an agreement for water utility services (element FE3).
- ❑ On March 29th, the City Council received an information memorandum on e-Government services, responding to questions on integration into the New City Hall.

- A Request for Proposals (RFP) was issued for the “Converged Network for the New Civic Center” (elements T4 and T10) and forwarded to City Councilmembers. A pre-proposal conference was held, and six proposals received by the April 16th deadline. Consistent with the March 9th direction, this expenditure will be brought to the City Council for approval and bid award in mid-June.

In addition, numerous other activities are underway related to TFE&R procurements. Attachment A provides a comprehensive summary by procurement element. For ease in comparison, Attachment A provides each procurement element’s cost estimate, procurement and savings strategy as approved by the City Council, a summary of key actions to date, and a 60-day look ahead for upcoming City Council actions.

To highlight key upcoming activities, the following actions are anticipated during the months of May and June:

- Servers (T2) – a Request for Proposals (RFP) will be released in May and forwarded to City Councilmembers. Proposals will be due in June.
- Inter-facility Communications (T3) – The results of ongoing evaluation suggest that inter-facility fiber optic communications can be achieved using existing conduit and in-sourcing, making a construction contract unnecessary. The feasibility of this option will be confirmed.
- Network Infrastructure and Telephone System (T4/T10) –Proposals will be evaluated and a recommendation for contract award is tentatively scheduled for June 15, 2004.
- Voice and Data Cabling (T5) – A City Council award recommendation is tentatively scheduled for late May.
- Audio-Visual Equipment (T6) – A bid package will be released in May and forwarded to City Councilmembers. Bid opening and an award recommendation are tentatively scheduled for June.
- Radio/Cellular/WiFi Equipment (T8) – A consultant agreement will be recommended in May.
- Security (T9) – A system award will be recommended in June.
- Furniture (FE1) – Specifications will be released in June and forwarded to City Councilmembers.
- Signage and Utility Services (FE3) – Administrative change orders for utility services will be processed and forwarded to the City Council where applicable. A consultant agreement for sign design will be recommended to the City Council in May. An award recommendation for signage is tentatively scheduled for June.
- Tower and Rotunda Sun Shade Covers (FE4) – Recommendations for City Council award for Tower and Rotunda sun shades are tentatively scheduled for May and early June, respectively.

As indicated by this summary, a significant volume of procurement activities is currently under way, and will be forthcoming to the City Council.

BUSINESS OUTREACH


As discussed separately with the City Council, the TFE&R procurements have generated significant interest from the local business community. In order to encourage the involvement of local and small businesses, outreach to local businesses has continued through meetings with interested stakeholders as well as by facilitating networking among prospective bidders. In addition, staff has informed stakeholders of the City Council's pending discussion of a local and small business preference ordinance. As this ordinance is finalized, staff will evaluate its applicability to ongoing procurements and incorporate its provisions accordingly.



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PROGRESS REPORT ON TECHNOLOGY, FURNITURE, EQUIPMENT AND RELOCATION PROCUREMENTS

Element and Cost Estimate	Procurement and Savings Strategy (as approved by City Council on 3/9/04)	Key Actions to Date	60-Day Look Ahead
T1 – Facility Information System (\$250,000)	Procurement specifications and vendor cost proposals will be solicited and evaluated against the option of continued use of Microsoft Outlook and other existing tools, as well as against decreased functionality alternatives. In September 2004, Staff will present to the City Council an alternatives analysis that will include an option to award a software procurement contract.	Various city departments have engaged in an evaluation of functional requirements, existing knowledge and available options for an enterprise-wide system.	Staff work will continue, on track to meet the previously reported schedule of September Council review and action.
T2 – Servers (\$9,050,000)	A procurement document will be issued for the supply, design, configuration, installation, and testing of servers and storage area network equipment. Proposers will be invited to provide recommendations to further streamline the City's existing server and enterprise storage environment and allow for appropriate growth over the next five years. Value will be weighted in the vendor selection. Staff will present the City Council with a recommended contract award in September 2004.	An administrative draft Request for Proposals (RFP) for a Consolidated Server and Storage Solution has been prepared and is being reviewed.	The RFP is scheduled to be released in May, and will be forwarded to the City Council upon release. A pre-proposal conference will be held and proposals will be due in June.
T3 – Inter-facility Communications Connectivity (\$610,000)	Staff will evaluate existing City conduit and fiberoptic cabling, in order to minimize the need for new construction for the three components of this project: Old City Hall to 4 N. 2 nd - Staff will present the City Council with a recommendation in May 2004; 4 N. 2nd to NCC - Staff will present the City Council with a recommendation in August 2004; NCC to Parking Garage - Staff will present the City Council with a recommendation in January 2005.	IT and DOT have evaluated alternative routes and the suitability of existing infrastructure for the installation of fiber optic communication lines between the current Civic Center and the New City Hall. Based on this evaluation, it has been determined that DOT staff can be used to install the needed fiber for much of this project, and discussions are ongoing with VTA staff on terms for the use of an existing duct within the light rail right-of-way.	Staff will finalize discussions with VTA on the City's use of existing underground duct. As a contingency, alternate routes will be identified. The ongoing work and delivery strategy indicates that City Council consideration of a construction contract will not be necessary in May 2004 in order to meet the New City Hall schedule. Staff will update schedule and cost estimates.

T4 – Network Infrastructure (\$5,510,000)

An RFP will be issued for the supply, installation and configuration of a converged voice-data infrastructure network. While the network design and equipment will be provided in the RFP, proposers will be invited to recommend lower cost approaches to meeting security and reliability performance criteria. Value will be weighted heavily in the selection. Staff will present a recommended contract award to the City Council in June 2004.

The RFP was released on March 15, 2004. A Mandatory Bidders Conference was held on March 26, 2004. Six proposals were received on April 16, 2004. Phase I (Minimum Qualifications) staff evaluation has been completed. Phase II (In-depth Technical Review) evaluation is currently in progress.

Evaluation of the proposals will be completed. Contract negotiations with the most responsive proposer will be initiated and completed with a recommendation for award of contract tentatively scheduled for City Council consideration on June 15, 2004.

T5 – Voice and Data Cabling (\$3,000,000)

In order to realize savings through reduced contractor mobilization and coordination, installation of voice and data cabling will be bid with related building construction contracts. In May 2004, Staff will present the City Council with a recommended contract award.

This project is currently being bid by the Turner/ Devcon Joint Venture and is on schedule for a May 2004 recommendation to the City Council.

Bid opening is scheduled for May 4th, with a City Council award recommendation scheduled for late May.

T6 – Audio-Visual Equipment (\$3,350,000)

Specifications for the provision and installation of audio-visual equipment will be bid with the following (and potentially other) add alternates:

System design documents and project specifications are being finalized and will allow significant flexibility in the final contract award.

The Audio Visual bid package is scheduled for release in mid-May, bid opening scheduled in early June, and City Council consideration of an award by the end of June. The bid package will be forwarded to the City Council upon release.

In April, six contractors were pre-qualified to bid on the contract.

T7 – Kiosks (\$250,000)

Specifications for the provision and installation of kiosks will be issued based on unit prices and with at least three “add alternates”: card readers, touch-sensitive screens, and printing capability. In November 2004, Staff will present the City Council with bid results and recommendations for award.

Specifications for the kiosks are being developed, focusing on basic functionality.

Staff work will continue, on track to meet the previously reported schedule of November City Council review and action.

T8 –
Radio/Cellular/Wi
Fi Equipment
(\$1,000,000)

Staff is investigating private partnership opportunities to provide a portion of the required functionality. Where this is not viable, savings in the provision and installation of needed equipment will be maximized by bidding with related building construction contracts. In June 2004, Staff will present the City Council with bid results and recommendations for award.

Staff has reviewed technical requirements and determined that consultant assistance will be needed for project management, including review of alternative technologies, integration requirements, and vendor prequalification and selection. This work is being done in close coordination with ongoing construction.

Staff will recommend approval of a consultant agreement in May. The procurement timeline may be revised, as a schedule extension may be necessary.

T9 – Security
Hardware and
Software
(\$1,050,000)

In order to streamline procurement and realize savings from reduced mobilization and coordination, installation of security measures will be procured with related building construction contracts. In May 2004, Staff will present the City Council with bid results and recommendations for award.

The security system for the building and garage elements has been designed in conjunction with the implementation of the base building program.

Staff will package the comprehensive security system package and present a recommendation to Council in June 2004.

Security system design for the building interiors have been completed as well in conjunction with the building interiors program.

Staff will continue to refine requirements for the re-keying package.

Staff is developing the bid package for re-keying of the facility that will occur following construction and prior to move-in.

Please refer to T4.

Please refer to T4.

T10 – Telephone
System/PBX
Equipment
(\$1,650,000)

In order to ensure complete integration of telephone services with network services, telephone equipment will be procured in conjunction with network infrastructure (T4).

FE1 – Furniture
Program
(\$11,808,376)

Furniture procurement will provide multiple bid options, including the use of new and used, while maximizing the reuse of existing furniture. Bid alternates will be secured for the rehabilitation and refurbishment of existing furniture. Cost, ability to meet move sequencing as dictated by construction and operations, quality, interchangeability, and warranties will be key selection criteria. In August 2004, Staff will present the City Council with recommended contract award(s).

Staff is currently overseeing the survey of existing furniture. This survey will be used in securing bids for alternate means of furnishing the facility. Staff has initiated the development of specifications for an RFP for furniture. This RFP will be structured to allow the City to take advantage of the most cost effective method for furnishing the facility.

Staff will finalize specifications and solicit the request for proposals, with release currently scheduled for June. This will lead to September 2004 City Council consideration of contract award.

On 12/16/03, the City Council approved an amendment with Johns/Rife Group for \$399,166 for furniture programming services.

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<p>FE2 – Operational and Maintenance Equipment (\$1,277,875)</p>	<p>Staff will evaluate options to defray initial investment costs (lease vs. buy), and upon confirmation of purchase staff will maximize outreach to enhance competition and get the best price for the equipment. Staff will evaluate cooperative purchase opportunities with other large municipal or state jurisdictions. With regard to window washing services, staff will present a cost/benefit analysis of contracted services versus the purchasing of equipment and in-house staff as a prerequisite to moving forward with an equipment purchase.</p>	<p>Staff has begun a detailed evaluation of equipment needs to identify operational impacts of contracting services, leasing equipment, and deferring purchases.</p>	<p>Staff will draft the cost-benefit analysis for window washing using in-house services as compared to contracted services.</p>
<p>FE3 – Signage for Public Wayfinding and Utility Services (\$800,000)</p>	<p>In order to streamline procurement and realize savings from reduced mobilization and coordination, furnishing and installation of signage will be procured in with related building construction contracts. In June 2004, Staff will present the City Council with a recommended contract award. Utility fees will be submitted for approval as they are finalized and due, possibly as early as March 2004.</p>	<p>On 3/23/04, the City Council approved an agreement with San Jose Water Company for water services in the amount of \$150,582. Other miscellaneous utility services have been identified and evaluated.</p> <p>Staff has identified and is refining signage needs for the facility.</p>	<p>Administrative change orders for miscellaneous utility services will be processed, and forwarded to the City Council where applicable.</p> <p>In order to maximize integration and economy of scale with shell construction, a contract amendment with the Steinberg Group for wayfinding sign design will be recommended to the City Council in May. Bids are scheduled to open in early June with award recommendation to Council by the end of June.</p>
<p>FE4 – Tower and Rotunda Sun Shade Covers (\$643,000)</p>	<p>In order to streamline procurement and realize savings resulting from reduced levels in mobilization and coordination, installation of sun shade covers will be procured in conjunction with building construction contracts. In June 2004, Staff will present the City Council with a recommended contract award.</p>	<p>The Department of Public Works has finished evaluation of the Rotunda sunshade equipment. Bid documents were available April 21, 2004.</p> <p>Window treatment bid documents for the Tower and Council Wing were available on April 7th.</p>	<p>Bid opening for the Rotunda sunshade is scheduled for May 11th, with a City Council award tentatively scheduled for June 1st.</p> <p>Tower and Council Wing window treatment bids are scheduled to open on April 27th and an award recommendation to Council in mid-May.</p>

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FE5 – Recycling /
Trash Compactors
(\$410,500)

In order to streamline procurement and realize savings from reduced mobilization and coordination, installation of trash compactors will be procured with related building construction contracts. Staff will maximize outreach efforts for all other purchases to enhance competition and get the best price for the equipment. Staff will evaluate cooperative purchase opportunities with other large municipal or state jurisdictions. By March 2005, Staff will present the City Council with recommended contract awards.

Confirmation of facility needs has been completed. Staff will schedule procurement to coincide with operations of the facility.

Staff work will continue, on track to meet the previously reported schedule of March 2005 Council review and action.

FE6 – Public Space
Use Program
(\$427,000)

Staff will research options to defray investment costs (rent vs. buy), existing, and fee-for-use, and subject to confirmation of purchase staff will maximize outreach efforts to enhance competition and get the best price for the equipment. In December 2004, Staff will present the City Council with a recommended contract award.

Staff is currently reviewing expected costs in comparison with alternatives of renting equipment.

Staff work will continue, on track to meet the previously reported schedule of December Council review and action.

R1 – Relocation
Programming
Services
(\$1,885,306)

Staff is investigating opportunities for increased use of in-house resources to support the programming needs. Staff will continue record-purging efforts to reduce the volume of materials to be relocated from current locations to the NCC. Staff will maximize outreach efforts to enhance competition and get the best price for the service. In January 2005, Staff will present the City Council with a recommended contract award.

A records consolidation program has been developed and launched effective April 17, 2004.

Staff has developed draft relocation sequencing plans that will become the basis for the relocation service procurement documents.

On 4/29/03, the City Council approved a \$634,000 agreement with Johns/Rife Group for move management.

Staff will continue the records consolidation program with focus on implementation of records retention schedules.

Staff will continue the development of the sequencing plans in concert with the construction plans. Staff will initiate the service procurement documents.