



City Council Report

Date: May 7, 2018
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: Purchase for Fiber Optic Expansion to the City of Mesa Employee Wellness Center for the Human Resources Department (as requested by the Information Technology Department) **(Citywide)**

Recommendation

Council is requested to approve the award as recommended.

The Information Technology Department, Human Resources Department, and Purchasing recommend authorizing the purchase using the State of Arizona cooperative contract with BPG Technologies, LLC for \$39,958.39 plus contingency at \$10,041.61, for the total amount of \$50,000.00, based on estimated requirements.

Background / Discussion

This purchase will provide fiber cable installation to connect the Mesa Employee Wellness Center to the City's high-speed data network. The Mesa Employee Wellness Center building, located at 1121 South Gilbert Road, currently receives network connectivity through a Digital Subscriber Loop (DSL) connection from a local telecommunications provider. Neither the DSL or previous cable connections can provide the speed or reliability required for the Wellness Center's daily operations.

Adding the Employee Wellness Center building to the City's fiber network will improve the reliability of the connection and speed, eliminate the existing monthly service cost for DSL, and reduce the need for additional network security hardware that is necessary for a Virtual Private Network (VPN) connection over cable or DSL. To minimize costs, the project will utilize existing City owned conduit and fiber.

BFG Technologies provided pricing based on State of Arizona contract pricing. The State cooperative contract was competitively bid, meets procurement requirements and prices are competitive due to volume contract pricing. It is unlikely that competitive bidding would result in better pricing than through this cooperative contract.

Purchase Information

Action: Award

Procurement Type: Cooperative Contract Use

Contract Number: 2018203

Contracting Agency/Contract Number: State of Arizona/ADSP017-169278

Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Funding Source: The purchase is funded in the Information Technology Department operating budget, FY 2018

AWARD RECOMMENDATION

Mesa Employee Wellness Center Fiber Expansion to include all labor for preparation, traffic control, installation, and ancillary parts and supplies per Contract Nos. 2018203, State of Arizona / ADSP017-169278 and Quote No. 4-17365-KS-1 dated 4/27/2018

Materials	\$4,803.31
Traffic Control	\$7,500.00
Labor	\$26,596.99
Estimated Sales Tax	<u>\$1,058.09</u>
Sub Total	\$39,958.39
Project Contingency	<u>\$10,041.61</u>
Project Total	<u>\$50,000.00</u>