TO: HONORABLE CITY COUNCIL  
FROM: CITY MANAGER               DEPARTMENT: ADMINISTRATIVE SERVICES  
DATE: AUGUST 1, 2005         CMR:342:05  
SUBJECT: APPROVAL OF A PURCHASE ORDER WITH SBC DATACOMM IN THE AMOUNT OF $ 509,754 FOR NETWORKING EQUIPMENT FOR THE INSTITUTIONAL NETWORK (I-NET)  

RECOMMENDATION  
Staff recommends that Council approve and authorize the City Manager to execute the purchase of Cisco networking hardware in the amount of $509,754 from SBC Datacomm to aggregate 70 local sites into regional administrative core locations, which will in turn be connected to a centralized hub at City Hall.

DISCUSSION  
Project Description

The City of Palo Alto is the lead agency for the Cable Franchise Joint Powers Agency. In the November 22, 2004 negotiated settlement with Comcast, Comcast agreed to provide site network termination equipment for the 70 I-Net sites.

Cisco networking equipment was requested and provided by Comcast based on the fact that all of the participating school districts, Las Lomitas Elementary School District, Menlo Park City School District, Palo Alto Unified School District, Ravenswood City School District and Sequoia Union High School District, as well as the City of Menlo Park, are standardized on Cisco networking equipment.

Summary of Bid Process

<table>
<thead>
<tr>
<th>Bid Name/Number</th>
<th>Cisco Switch Equipment for the Cable JPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Bids</td>
<td>8</td>
</tr>
<tr>
<td>Mailed/Downloaded from website</td>
<td>21</td>
</tr>
<tr>
<td>Total Days to Respond to Bid</td>
<td>Yes / No</td>
</tr>
<tr>
<td>Pre-Bid Meeting?</td>
<td></td>
</tr>
<tr>
<td>Number of Bids Received:</td>
<td>7</td>
</tr>
<tr>
<td>Bid Price Range</td>
<td>From a low of $509,754 to a high of $659,033</td>
</tr>
</tbody>
</table>

*Bid summary provided in Attachment A.*
A Request for Quote (RFQ) was issued on June 16, 2005 and eight bid responses were received on June 28, 2005. Of the eight respondents, six were authorized by Cisco to sell the equipment requested. Staff has reviewed all bids submitted and recommends that the bid of $509,754 submitted by SBC Datacomm be accepted and that SBC Datacomm be declared the lowest responsible bidder.

The low bid of Microgear has been deemed non-responsive due to its inability to meet the equipment warranty requirements. Upon this determination, Microgear submitted a request to have their quote withdrawn.

**RESOURCE IMPACT**
The Purchase Order value is $509,754. Funds for this project are in the Cable JPA Fund.

**POLICY IMPLICATIONS**
This agreement does not represent any change to existing City policies.

**ENVIRONMENTAL REVIEW**
Approval of this agreement does not constitute a project under the California Environmental Quality Act (CEQA); therefore, no environmental assessment is required.

**PREPARED BY:**

GLENN E. LOO
Chief Information Officer

**DEPARTMENTAL HEAD APPROVAL:**

CARL YEATS
Director, Administrative Services

**CITY MANAGER APPROVAL:**

EMILY HARRISON
Assistant City Manager

**ATTACHMENTS:**
Attachment A: Bid Summary