

RESOLUTION NO. 20256

## BOARD LETTER APPROVAL

*Mona Guirguis*  
Mona Guirguis (Jul 26, 2023 17:30 PDT)

**MONA T. GUIRGUIS**  
Interim Chief Information Technology Officer

*Ar*  
Aram Benyamin (Jul 26, 2023 19:05 PDT)

**ARAM BENYAMIN**  
Chief Operating Officer

*Martin L. Adams*

**MARTIN L. ADAMS**  
General Manager and Chief Engineer

**DATE:** July 10, 2023

**SUBJECT:** Amendment No. 1 to Contract No. 02028 for Telecommunications Equipment, Supplies, and Accessories with Graybar Electric Company, Inc.

**SUMMARY**

The proposed Amendment No. 1 (Amendment) to Contract No. 02028 (Contract) will extend the Contract term by six years from January 31, 2023 to January 31, 2029, and increase the Contract limit by \$9,000,000 from \$5,000,000 to \$14,000,000 (budgeted). The Contract is a result of a piggyback utilizing City of Los Angeles Contract No. ARC 40-20000000017-1 (City Contract) with Graybar Electric Company, Inc. (Graybar). The Amendment will provide LADWP a mechanism to continue to purchase telecommunications equipment, supplies, and accessories; make an administrative change to the Contract number from 02028 to 00333; and change the Contract from a General Manager (GM) awarded contract to a Board of Water and Power Commissioners (Board) awarded contract. The Contract will be coterminous with the City Contract. All other terms and conditions will remain unchanged.

The purpose of the Amendment is to provide continuous access to a wide variety of Graybar telecommunications-related materials such as fiber optic cable, innerducts, network routers to expand and maintain LADWP's telecommunications infrastructure and for special projects such as Renewable Transmission projects. The Contract has

provided materials for Fiber Optic Enterprise (FOE), Wireless Transport Engineering, and Cable Transport Engineering groups.

During the term of this Amendment, LADWP will review the telecommunications equipment, supplies, and accessories that are expected to be ordered. LADWP may elect to advertise smaller materials contracts for certain items in order to allow participation by small local businesses.

City Council approval is required pursuant to Los Angeles City Charter Section 373.

### **RECOMMENDATION**

It is recommended that the Board of Water and Power Commissioners (Board) adopt the attached Resolution authorizing approval of the Amendment to the Contract with Graybar.

### **ALTERNATIVES CONSIDERED**

The following alternatives were considered:

1. Purchase telecommunications-related products and equipment through the use of multiple one-time purchase orders, blanket purchase orders, or purchasing cards. This alternative is not cost effective nor efficient and would involve significant administrative time in processing multiple requests that may not result in the best value to LADWP.
2. Advertise and award a new contract. This alternative would require expending time and resources to develop specifications for telecommunications products and equipment, advertisement, and award which may not result in the most favorable price discounts or be the best value to LADWP.
3. Elect to advertise smaller materials contracts for certain items in order to allow participation by small local businesses. This alternative will be considered during the term of this Amendment.

Amending the Contract is the most desirable option as it continues to provide the best value to LADWP; offering a large list of customized core products, one-day deliveries on most products, discount rates ranging from 2 to 39 percent off Graybar's price list; and the flexibility to utilize volume and point-of-sale rebates.

### **FINANCIAL INFORMATION**

The cooperative purchase Contract was approved by the GM on April 30, 2020, for a term of two years and nine months, and for an amount not to exceed \$5,000,000, in accordance with the City Contract.

The materials furnished under this Contract support the Information Technology Services (ITS) FOE group and other ITS groups. FOE provides fiber optic circuits for internal LADWP use for control systems, the corporate network, and special projects. FOE also leases excess fiber optic cable capacity to commercial businesses. The customers are primarily Los Angeles area businesses, entertainment industries, health and educational institutions, and City of Los Angeles entities.

This Amendment is necessary to allow FOE to continue to build high-speed fiber optic network transport services requested by various LADWP sections from all Systems including Network Engineering and Security, Water Engineering and Technical Services, Security Planning and Engineering Services, Overhead Transmission, among others. This Amendment will also allow LADWP to avoid costs for fiber network services that would have to be provided through commercial network service providers.

The existing fiber infrastructure provides network transport services to the John Ferraro Building, Emergency Control Center, generating stations, distribution and receiving stations, pump stations, and reservoirs. Without this Contract, FOE cannot maintain and operate the existing fiber infrastructure often impacted by fires, rodents, and human activity.

This Amendment is also aimed at fulfilling the required technology refresh that is driven by the obsolescence of Time Division Multiplexing (TDM) technology. Current mission critical communication circuits, such as power transmission line tele-protection, supervisory control, and data acquisition are being transported over legacy TDM technology. With TDM products being discontinued, replacement parts are scarce. The replacement of legacy TDM with IP/MPLS technology will ensure the continuous and reliable support of mission critical power grid operations.

Graybar has performed satisfactorily under this Contract.

In accordance with the Mayor's Executive Directive No. 4, the City Administrative Officer's Report was approved on June 14, 2023.

### **ENVIRONMENTAL DETERMINATION**

Determine item is exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15060(c)(2). In accordance with this section, an activity is not subject to CEQA if it will not result in a direct or reasonably foreseeable indirect physical change in the environment. Section 15378(b)(5) states that organizational or administrative activities that will not result in direct or indirect physical changes in the environment do not meet that definition. Therefore, extending the existing Contract term for furnishing telecommunications equipment, supplies, and accessories is not subject to CEQA.

## **CITY ATTORNEY**

The Office of the City Attorney reviewed and approved the Contract and Resolution as to form and legality.

## **ATTACHMENTS**

- Procurement Summary
- Resolution
- CAO Report

## PROCUREMENT SUMMARY

1.	Recommended Vendor(s): Graybar Electric Company, Inc. (Graybar)
2.	Procurement Type: Amendment
3.	Procurement Details: A. Contract Status: Amendment No. 1 to Contract No. 02028 B. Bid Advertisement Date: N/A C. Pre-Bid Conference Date: N/A D. Bid/Proposal Due Date: N/A E. Number of Downloads of Solicitation: N/A F. Number of Bids/Proposals Received: N/A G. Protest Received: (Yes/No): N/A
4.	Buyer Assigned: Keith Martin
5.	Contract Administrator: Alex Geronilla
6.	LADWP System/Division: Joint / Information Technology Services
7.	Contact Person for Item: Alex Geronilla

### A. Summary of Bids Received

Not applicable to the Amendment.

### B. Evaluation of Cooperative Purchasing Agreement

The cost-plus and discount rates offered by Graybar have been determined to be fair and reasonable based on historical costs. Prices on selected items were lower compared to market and other governmental agency contracts. LADWP receives a variety of discounts ranging from 2 percent to 39 percent off of Graybar's list price. In addition, the contract offers a yearly rebate of 0.5 percent to 1.5 percent for cumulative purchases over \$1,000,000.

### C. Procurement History

Service/Item History – Number of Times Item or Service has been Procured in the Past 10 Years					
Contract/ PO No.	Contractor	Term of Contract	Start Date	Ending Date	Contract Amount
02028	Graybar	Approx. Two years and nine months	04/30/2020	01/31/2023	\$5,000,000
942	Motorola Solutions, Inc	Two years with One Optional one-year period	07/01/2018	06/30/2022	\$4,100,000
783	Motorola Solutions, Inc	Approx. Two years	05/09/2016	04/30/2018	\$1,800,000
350	Itron, Inc	One year with Two Optional one-year periods	02/06/2015	02/05/2018	\$7,812,385
514	Scottel Voice & Data, Inc	Approx. Nine months with Two Optional one-year periods	02/03/2014	11/02/2016	\$394,981
360	Qwest Communications Co	One year with Two Optional one-year periods	07/31/2013	07/30/2016	\$86,880

167B	Wesco Distribution Inc.	One year with Two Optional one-year periods	10/28/2011	09/27/2014	\$4,633,584
<b>Vendor Experience – Number of Contracts Vendor had with LADWP During the Past 5 Years</b>					
<b>Contract/ PO No.</b>	<b>Contract Description</b>	<b>Term of Contract</b>	<b>Start Date</b>	<b>Ending Date</b>	<b>Contract Amount</b>
01998C	Electrical Materials and Supplies (Electrical & Lighting Products)	One year with Two Optional one- year periods	03/11/2020	03/10/2023	\$1
02028	Telecommunications Equipment, Supplies and Accessories	Approx. Two years and Nine months	04/30/2020	01/31/2023	\$5,000,000
02049	Luminaires, Streetlight, High Pressure Sodium Vapor	One year with Two optional one- year periods	06/03/2020	06/02/2022	\$70,990

**D. Local Business Preference Program (LBPP)**

Not applicable to the Amendment.

**E. Additional Outreach Efforts Taken**

Not applicable to the Amendment.

**F. Small Business Enterprises (SBE)/Disabled Veterans Business Enterprises (DVBE)/Minority Business Enterprises (MBE)/Women Business Enterprises (WBE)/Other Business Enterprises (OBE) Subcontracting Participation**

Not applicable to the Amendment.