



## City Council Staff Report

**From: City Manager**

**Report Type: CONSENT CALENDAR**

**Lead Department: Utilities**

**Meeting Date: October 21, 2024**

Report #:2408-3366

### **TITLE**

Approval of Purchase Order with Anixter, Inc. for the Purchase of Fiber Materials Not-to-Exceed \$348,003; and Authorization to Execute Changes Not-to-Exceed \$30,000 for Related, for a Total Not-to-Exceed Amount of \$378,003 for Fiscal Year 2025; CEQA Status – Council action on this item is within the scope of the Final Initial Study and Mitigated Negative Declaration (IS/MND) was adopted by Council Resolution on June 17, 2024

### **RECOMMENDATION**

Staff Recommends that the City Council:

1. Approve and authorize the City Manager or their designee, to execute purchase order 4525000136 with Anixter Inc. in the amount of \$348,003 for the purchase of fiber optic cable, enclosures, patch panels and cabinets for the FTTP Pilot Project; and
2. Authorize the City Manager or their designee to negotiate and execute one or more changes to purchase order 4525000136 with Anixter, Inc. for related but unforeseen work which may develop during the FTTP pilot not-to-exceed \$30,000; for a total not-to-exceed amount of \$378,003 for Fiscal Year 2025.

### **BACKGROUND**

On December 19, 2022, City Council directed staff to proceed with the Fiber Expansion Plan to implement the Fiber Rebuild project and Phase 1 of the FTTP Project. In Phase 1, FTTP would be built out in selected areas of the city and expanded gradually ([Staff Report ID 14800<sup>1</sup>](#)).

Construction of the fiber backbone in the Fiber Rebuild project and last mile infrastructure to provide FTTP broadband internet to the community in the FTTP project will be a significant undertaking for the City. Council approval of this purchase order will allow the utilities

---

<sup>1</sup> Staff Report ID 14800 <https://www.cityofpaloalto.org/files/assets/public/v/1/agendas-minutes-reports/reports/city-manager-reports-cmrs/2022/12-19-2022-id-14800.pdf>

department to order the necessary materials and components in the quantities and specifications required to build FTTP in the pilot area.

## ANALYSIS

The design of the pilot area strategically covers initial test area plans for grid modernization, and a core portion of the Phase 1 FTTP area. The pilot area is bounded by West Bayshore, Embarcadero Road, Louis Road, and Colorado Ave). The FTTP pilot is predominantly aerial construction in the grid modernization pilot area. FTTP build out must be constructed in a manner that provides a pathway from the fiber hut to the areas of higher interest.

Based on the engineering design of the pilot area, the City’s consultant Magellan and staff developed a comprehensive list of the materials and components required to build FTTP along with the quantities and material specifications. The build of materials (BOM) include various counts of fiber cables, vaults, splice trays, enclosures, patch panels, fiber distribution cabinets and pole attachment materials. The request for quotation (RFQ) for the fiber BOM was published on June 6, 2024 on the City of Palo Alto’s e-procurement website (OpenGov), with a RFQ due date of July 10, 2024. The City received five (5) bids. One of the bids was deemed non-responsive because they only provided costs for a subset of the materials on the BOM.

Below is the procurement summary table:

Table 1: Summary of Invitation for Bid	
Project Bid Number and Name	RFQ 190165 – Purchase and Delivery of Assorted Fiber Optic Material for Fiber-to-the-Premises (Pilot)
Proposed Length of Project	3 – 6 months
Total Days to Respond to Bid	34 days
Number of Bids Received	5
Bid Price Range	\$342,341 - \$535,242

## FISCAL/RESOURCE IMPACT

Funding for this purchase order is available in the Fiscal Year 2025 Capital Improvement Plan budget for the Fiber-To-The-Premises “FTTP” Capital Project (FO-24000). The base purchase order amount of \$348,003 is slightly higher than the bid proposal of \$342,341 because there is a minimum charge for reels of cables. Purchasing a full reel is more cost and construction effective than buying a partial reel. The excess cables will be used for subsequent phases of FTTP or dark fiber projects.

## STAKEHOLDER ENGAGEMENT

Staff continues to engage with the community on the FTTP efforts primarily through the City’s Finance Committee and Utilities Advisory Commission discussions which are open to the public to participate and share feedback.

In addition, staff continues to share updates through the Palo Alto Fiber project webpage<sup>6</sup>, City communications channels such as social media<sup>7</sup>, and Medium.com blog<sup>8</sup>.

### **ENVIRONMENTAL REVIEW**

The FTTP Project has been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the environmental regulations of the City. A final Initial Study-Mitigated Negative Declaration (IS/MND) that incorporated revisions, as appropriate, based on public comments was adopted by Council Resolution on June 17, 2024. ([Staff Report 2403-27132](#)).

### **ATTACHMENTS**

Attachment A: Anixter, Inc. Purchase Order-4525000136

### **APPROVED BY:**

Dean Batchelor, Director of Utilities

Staff: Dave Yuan, Utilities Strategic Business Manager

---

<sup>2</sup> Staff Report 2403-2713 <https://cityofpaloalto.primegov.com/Portal/viewer?id=0&type=7&uid=2b77638f-b16d-43a9-ae2a-4b57a96f813d>