

CITY OF LONG BEACH

R-21

DEPARTMENT OF TECHNOLOGY AND INNOVATION

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March 24, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager to execute a contract with Califa Group, a California public benefit corporation, for the purchase of/furnishing and delivering high-speed data communications services for the Department of Library Services, on the same terms and conditions afforded to the San Benito County Free Library, in an annual amount not to exceed \$252,000, for a period of three years, with the option of renewing for two additional one-year periods, at the discretion of the City Manager; and

Increase appropriations in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) by \$218,000. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Califa Group, a California Public benefit corporation, for the purchase of/furnishing and delivering high-speed data communications services for the Department of Library Services.

The Departments of Technology and Innovation and Library Services desire to provide a next generation intelligent high-speed data network system at library locations. The intent is to enhance the patron and staff computing experience at all sites and to increase bandwidth to support future needs and activities. To achieve this goal, the Department of Library Services received funding for this initiative through the Schools and Libraries Division (SLD) of the Universal Service Fund, commonly known as "E-Rate." E-Rate is administered by the Universal Service Administrative Company (USAC) under the direction of the Federal Communications Commission (FCC), and provides discounts to assist schools and libraries in the United States obtain affordable telecommunications and Internet access. The E-Rate discount is based on the Free/Reduced Lunch eligibility of the surrounding school district. Approximately 69 percent of Long Beach Unified School District students are eligible for Free/Reduced Lunch under the National School Lunch Program. This translates to an E-Rate discount of up to 80 percent based on the SLD Discount matrix.

On February 14, 2012, the City Council authorized the City Manager to enter into a three-year contract with Time Warner Cable to provide the Department of Library Services high-speed data communications services for three years at a discounted rate. The agreement expired on February 23, 2015.

A Request for Proposals (RFP) for E-Rate-eligible products and services was issued on January 23, 2015 to secure the best value for continued E-Rate pricing. 4,496 potential proposers specializing in Technology Hardware/Software and Technical Services were notified of the RFP opportunity. Of those potential proposers, 66 vendors downloaded the RFP document via the City's electronic bid system. The RFP document was made available through the Purchasing Division's website at www.longbeach.gov/purchasing. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority and women-owned business groups.

Three proposals were received on February 24, 2015. Of those three proposals, none were Disadvantaged Business Enterprises (DBEs), Minority-owned Business Enterprises (MBEs), Woman-owned Business Enterprises (WBEs), certified Small Business Enterprises (SBEs), or Long Beach Businesses (Local). After evaluating the three proposals, staff determined that none of proposals were able to offer the best value for furnishing and delivering of high-speed data communications services for E-Rate.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment and labor with other governmental agencies by purchasing under their contracts on a voluntary and selective basis when authorized by a Resolution of the City Council.

The Departments of Technology and Innovation and Library Services investigated alternative procurement options and staff recommends participation in the State's Corporation for Education Network Initiatives in California (CENIC) program to connect the Department of Library Services to California Research and Education Network (CalREN) through a contract with Califa Group, a public benefit corporation serving libraries in California, acting as program administrator. CENIC issued a RFP on behalf of the California State Library for high-speed broadband connectivity for libraries statewide, which was awarded to Califa Group.

Currently, the Library's data network reaches maximum capacity for extended periods during business hours. Staff from the Departments of Technology and Innovation and Library Services concur that the CENIC connection is the most cost-effective provider and offers the best value for the desired products and services. Moreover, the CENIC solution would increase the Library's current E-Rate provided bandwidth capacity by approximately 10-15 times at effectively the same cost. The cost for CENIC's data network services for the Library is \$252,000 annually and is offset by an annual reimbursement of approximately \$201,600, for a net annual cost of \$50,400. To be able to participate, the Departments of Technology and Innovation and Library Services must upgrade networking equipment, at a one-time cost of \$134,000.

This matter was reviewed by Deputy City Attorney Amy Webber and by Budget Manager Lea Eriksen on March 12, 2015.

TIMING CONSIDERATIONS

City Council action is requested on March 24, 2015 to ensure the contract is in place expeditiously.

FISCAL IMPACT

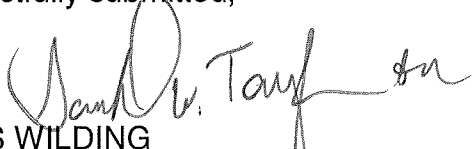
The contract is an annual amount not to exceed \$252,000. Approximately 80 percent will be reimbursed to the City from Califa resulting in an annual net service cost of \$50,400. In FY 15, the cost is estimated at \$84,000 with up to \$67,200 offset by reimbursement revenue. This cost anticipates four months of service beginning in June. In addition, networking equipment upgrades at the Main and Branch libraries are necessary to support the increased bandwidth capacity. The FY 15 onetime cost for the equipment upgrades is estimated at \$134,000.

The Technology and Innovation Department will manage the service payments and equipment upgrade for the Main and Branch libraries. An appropriation increase of \$218,000 is requested in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) from funds available. This increase is partially offset by \$67,200 from the Califa reimbursement and \$16,800 in revenue from the Library Services Department for the net service cost. The net service cost is currently appropriated in the General Fund (GF) in the Library Services Department (LS). In order for TI to continue to manage the ongoing service payments, an appropriation increase will be requested as part of the FY 16 Budget process. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRIS WILDING
INTERIM DIRECTOR OF TECHNOLOGY AND INNOVATION



GLENDA WILLIAMS
DIRECTOR OF LIBRARY SERVICES

CW:GW:ST:ef

APPROVED:



PATRICK H. WEST
CITY MANAGER

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH AUTHORIZING THE CITY
MANAGER TO EXECUTE AN AGREEMENT WITH CALIFA
GROUP TO PROVIDE HIGH SPEED DATA
COMMUNICATION SERVICES FOR THE DEPARTMENT
OF LIBRARY SERVICES, THROUGH THEIR AGREEMENT
WITH SAN BENITO COUNTY, IN AN AMOUNT NOT TO
EXCEED \$252,000 ANNUALLY FOR A PERIOD OF THREE
YEARS

WHEREAS, the Charter of the City of Long Beach (the "City"), Section
1802, permits the City to purchase services, supplies, materials, equipment and labor
with other government agencies by purchasing under their contracts on a voluntary and
selective basis when authorized by resolution; and

WHEREAS, the City desires to purchase high-speed data communication
services for the Department of Library Services; and

WHEREAS, Califa Group, on behalf of the California State Library has
contracted with the Corporation for Education Network Initiatives in California (CENIC) to
provide high speed networking to libraries in California; and

WHEREAS, San Benito County Free Library has an Agreement with Califa
Group for the provision, installation and maintenance of advanced network/data services
("San Benito Agreement"); and

WHEREAS, the City's participation in the San Benito Agreement will
facilitate timely acquisition of the high-speed data communication services for the
Department of Library Services as well as provide considerable cost benefits to the City;
and

1 WHEREAS, if the City had to utilize a formal bid process rather than
2 participate in the San Benito Agreement considerably more funds would be required;

3 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
4 follows:

5 Section 1. The above recitals are true and correct and are incorporated
6 herein by this reference.

7 Section 2. The City Manager of the City is hereby authorized to enter an
8 agreement with Califa Group for the purchase of high-speed data communication
9 services for the Department of Library Services, on substantially the same terms as San
10 Benito County except as modified by mutual agreement of the City and Califa Group, in
11 an amount not to exceed Two Hundred Fifty Two Thousand Dollars (\$252,000) annually,
12 for a period of three (3) years, with the option to renew for two (2) additional one-year
13 periods, on the same terms and conditions in the San Benito Agreement.

14 Section 3. This resolution shall take effect immediately upon its adoption
15 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
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Long Beach, CA 90802-4664

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I hereby certify that the foregoing resolution was adopted by the City
Council of the City of Long Beach at its meeting of _____, 2015,
by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk