



# CITY OF LONG BEACH

# C-33

DEPARTMENT OF TECHNOLOGY SERVICES

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April 18, 2006

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to execute an agreement with T-Mobile USA, sign related documents with Verizon Wireless, and adopt the attached Resolution to participate in the State of California Agreement Number 1S-05-58-01 with Nextel Communications, to provide cellular telephone and Blackberry data (e-mail) service in an aggregate annual amount not to exceed \$625,000. (Citywide)

## DISCUSSION

The Technology Services Department is responsible for administering cellular and Blackberry e-mail service for City departments. Since 1990, the City has used cellular telephones for many reasons, including their cost effectiveness for remote person-to-person communications, limited availability of radio spectrum, improved responsiveness to customers, and employee safety. Since 2001, the City has used Blackberry devices for mobile e-mail communication to enhance productivity and efficiency. For departments under the City Manager's authority, department directors approve requests for cellular telephone and Blackberry devices based upon job duties. Also, the City Auditor conducts reviews of cellular telephone usage.

As part of the City's financial strategic plan, City departments performed a zero base review of their mobile devices (i.e., cellular telephones and pagers). As a result, a significant number of these devices were eliminated. Since then, the City has continued to reduce cellular telephone expenditures. There has been a rise in the use of Blackberry devices due to the tremendous personal productivity and workflow efficiency gains enabled by this technology. In total, however, combined cellular telephone and Blackberry expenditures remain level.

Currently, the City uses two vendors for combined cellular and Blackberry service: Nextel of California, Inc., doing business as Nextel Communications (Nextel), and T-Mobile USA. Verizon Wireless (Verizon) provides only cellular service. All three providers meet our operational and customer service requirements; however, Nextel has become the primary provider due to its two-way radio capability.

Our Master Price Agreement with Western States Contracting Alliance (WSCA) for Nextel and Verizon services has expired. City staff recommends using the current State of California Agreement Number 1S-05-58-01 (State Agreement) for Nextel cellular phone and Blackberry service. The State Agreement offers lower rates based on aggregate volumes (15 to 18 percent discounts) and sets price caps on services and equipment, thereby ensuring that the City receives the most competitive rates.

HONORABLE MAYOR AND CITY COUNCIL

April 18, 2006

Page 2

Section 1802 of the City Charter permits the City to participate in joint and cooperative purchasing agreements by adoption of a Resolution of the City Council authorizing purchases under contracts entered into by other governmental agencies, such as the State of California Agreement. A Resolution is not required for Verizon because expenditures will not exceed \$100,000, but the City must sign related documents in order to receive discounted rates equal to those in the State of California Agreement Number 1S-05-58-02.

The proposed Resolution allows purchases under the State Agreement for as long as it is in effect, and the City's participation may be terminated at any time with 30 days' prior written notice. The term of the T-Mobile USA agreement will be for one year with options for two renewal periods of one year each.

This matter was reviewed by Deputy City Attorney Everett L. Glenn on April 3, 2006, and by Budget Management Officer David Wodynski on April 7, 2006.

TIMING CONSIDERATIONS

The City previously used the discounted rates of the Western States Contracting Alliance (WSCA) Master Price Agreement for Nextel and Verizon purchases. The agreement has expired. City Council action is requested on April 18, 2006 to start the new discounted rates as soon as possible.

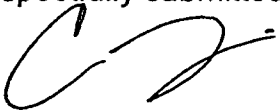
FISCAL IMPACT

Total aggregate expenditures for service will not exceed \$625,000 per year, which is the same amount of the previous agreement approved by the City Council in July 2004. Sufficient funding has been budgeted in the General Services Fund (IS 385) in the Technology Services Department (TS) for this purchase.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CURTIS TANI  
DIRECTOR OF TECHNOLOGY SERVICES

CT:ds  
Attachment

APPROVED:



GERALD R. MILLER  
CITY MANAGER