



CITY OF LONG BEACH

R-18

TECHNOLOGY AND INNOVATION DEPARTMENT

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March 20, 2018

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute contract amendments, including any necessary documents, with Frontier Communications of America, Inc., Charter Communications Holdings, LLC, dba Time Warner Cable Enterprises, LLC, and Verizon Wireless, to provide local and long distance telephone, data communications, and internet services, in an annual aggregate amount not to exceed \$3,000,000, for a period of one year, with the option to renew for two additional one-year periods;

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any necessary amendments, with Verizon Business Network Services, Inc. to provide local and long distance telephone, data communications, and internet services, in an annual amount not to exceed \$1,000,000 for a period of one year, with the option to renew for two additional one-year periods; and,

Increase appropriations in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) by \$2,320,544, offset by charges to user departments and funds. (Citywide)

DISCUSSION

In July 2013, the City Council approved a Resolution to execute contracts with Verizon Business Network Services, Inc. (Verizon Business), Time Warner Cable, and Verizon Wireless, to provide local and long-distance telephone, data communications and Internet services, in an annual aggregate amount not to exceed \$1,670,000, for a period of three years with an option to renew for two additional one-year periods. In 2016, Frontier Communications of America (Frontier) took over the FIOS portion of the telecommunication services provided by Verizon Business.

The current contracts expire on August 31, 2018, and the Technology and Innovation Department (TI) is in the process of developing the specifications for a formal procurement process for telecommunications network services, including local and long-distance telephone, data communications and Internet services. City Council approval is

requested to extend the existing contracts with Frontier, Time Warner Cable, and Verizon Wireless, since the implementation, after award of new contract(s), may require between 12 and 24 months for construction of new circuits, migration of telephone and data services, as well as decommissioning of old circuits across all City facilities. The proposed amendments will provide adequate time for the Purchasing Division to complete a formal procurement process and allow for this implementation period.

When the FIOS contract was assigned from Verizon Business to Frontier, some specific services were no longer provided. City Council approval is requested to enter into a contract with Verizon Business to, once again, provide these specialized telecommunication services, including a Verizon Private IP Multi-Protocol Layer Service (MPLS) offering that includes a broad range of integrated data (e.g. Private IP) and wireless (e.g. Mobile Private Network) transport services, VSAT services (Satellite), and TDM/Optical (OC-3) services.

In addition, until the new telecommunication network services are fully implemented and until the City can migrate to a City fiber network, TI needs to continue to expand the existing telecommunication systems to support new buildings, including the new Civic Center, and to support new citywide business applications and services. These include LB COAST, Enterprise Document Management System, Customer Relationship Management System, Network Cameras, and Body Worn Cameras. These one-time temporary charges related to the expansion of the telecommunication systems were included in the equipment category of the critical technology infrastructure needs presentation to the City Council on December 5, 2017. The temporary charges will no longer be needed once the City fiber network is implemented and the existing Civic Center is decommissioned.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Amy R. Webber on March 1, 2018 and by Budget Analysis Officer Julissa José-Murray on March 5, 2018.

TIMING CONSIDERATIONS

City Council action is requested on March 20, 2018, to ensure the City telecommunication network services are uninterrupted and telecommunications for the new Civic Center can be constructed in a timely manner.

FISCAL IMPACT

The total cost of the agreements is not to exceed \$4,000,000, which includes both an extension of the current contracts in the amount of \$1,679,456, and one-time temporary charges related to the expansion of the telecommunication systems in the amount of \$2,320,544. The \$4,000,000 will be funded from charges to user departments and funds.

HONORABLE MAYOR AND CITY COUNCIL

March 20, 2018

Page 3

The cost to extend existing contracts is already appropriated in the General Services Fund (IS 385) in the Technology and Innovation Department (TI). The additional cost of \$2,320,544 is unbudgeted; therefore, an appropriation increase in the General Services Fund (IS 385) is included in the recommendation. The \$2,320,544 is the first half of \$4,600,000 in one-time costs needed to fund temporary charges related to the implementation of new buildings and new citywide business applications and services. The second half of the one-time costs will be requested in the FY 19 budget process. The source of these temporary telecommunications costs is one-time charges to user departments and funds, which is consistent with the funding plan detailed in the December 5, 2017 critical technology infrastructure needs presentation to the City Council. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LEA ERIKSEN

INTERIM DIRECTOR OF TECHNOLOGY AND INNOVATION



JOHN GROSS

DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:


PATRICK H. WEST
CITY MANAGER