

June 23, 2020

C-10

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, including any necessary amendments, with Califa Group, of San Francisco, CA, a California nonprofit corporation, for purchasing, furnishing, and delivering high-speed data communications services for the Library Services Department, in an annual amount not to exceed \$200,000, for a period of three years, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Califa Group, a nonprofit corporation, for purchasing, furnishing, and delivering high-speed data communications services for the Department of Library Services (Library).

On March 24, 2015, the City Council authorized the City Manager to execute Contract No. 33801 with Califa Group, in an annual amount not to exceed \$252,000, for a period of three years, with the option to renew for two additional one-year periods. This contract will expire on June 30, 2020.

Contracting with Califa will continue to allow the Library to utilize a high-speed data network system at library locations at a highly discounted rate. The Library receives 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 throughout the United States in obtaining affordable telecommunications and internet access. The E-Rate discount is based on the Free/Reduced Lunch eligibility of the surrounding school district. Approximately 70 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.

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 City Council.

Staff from the Departments of Technology and Innovation and Library Services concur that the Califa high-speed data network is the most cost-effective provider and offers the best value for the products and desired services. The Technology and Innovation Department (TI) will

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manage the service payments for the Main and Branch libraries. The cost for Califa's data network services for the Library will not exceed \$200,000 annually, and is offset by an annual E-Rate discount reimbursement of approximately \$160,000, for an estimated net annual cost of \$40,000.

This matter was reviewed by Deputy City Attorney Erin Weesner-McKinley on June 3, 2020, Deputy Finance Director Sandy Tsang-Palmer on May 29, 2020, and by Budget Management Officer Rhutu Amin Gharib on June 3, 2020.

TIMING CONSIDERATIONS

City Council action is requested on June 23, 2020, to ensure a contract is in place expeditiously and to maintain adequate project management support.

FISCAL IMPACT

The estimated annual contract costs, including subsequent amendments, will not exceed \$200,000 annually. Approximately 80 percent, or \$160,000, of this expense will be reimbursed to the City from Califa Group, resulting in an estimated annual net cost of \$40,000. Sufficient funds are budgeted in the General Services Fund Group in the Technology and Innovation Department and is recovered from the Library via the annual TI Memorandum of Understanding (MOU). This recommendation has no staffing impact beyond normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LEA D. ERIKSEN
DIRECTOR OF TECHNOLOGY AND INNOVATION



GLENDA WILLIAMS
DIRECTOR OF LIBRARY SERVICES

Attachment: Resolution

APPROVED:



THOMAS B. MODICA
CITY MANAGER

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT, AND ANY AMENDMENTS THERETO, WITH CALIFA GROUP, WITHOUT ADVERTISING FOR BIDS, TO DELIVER HIGH-SPEED DATA COMMUNICATIONS SERVICES FOR THE DEPARTMENT OF LIBRARY SERVICES IN AN ANNUAL AMOUNT NOT TO EXCEED \$200,000 FOR A PERIOD OF THREE YEARS

WHEREAS, the Department of Library Services requires high-speed data communications services; and

WHEREAS, in 2015, the City entered into a contract with Califa Group for the provision, installation and maintenance of advanced network (data) services; and

WHEREAS, contracting with Califa Group will continue to allow the Department of Library Services to utilize a high-speed data network system at library locations at a highly discounted rate and as such is the most cost-effective provider and offers the best value for the products and services desired; and

WHEREAS, Califa Group is the sole source provider for the California State Library Broadband Project and associated grants due to the highly discounted rates it provides; and

WHEREAS, as a result, no useful purpose would be served by advertising for bids and to do so would constitute an idle and useless act and an unnecessary expenditure of public funds;

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

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802

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Section 1. The above recitals are true and correct and are incorporated herein.

Section 2. The City Manager is hereby authorized to enter a contract, and any amendments thereto, with Califa Group to deliver high-speed data communications services for the Department of Library Services, in an annual amount not to exceed Two Hundred Thousand Dollars (\$200,000), for a period of three (3) years, with the option to renew for two (2) additional one-year periods, at the discretion of the City Manager.

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

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2020 by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk