



CITY OF LONG BEACH

R-20

DEPARTMENT OF TECHNOLOGY SERVICES

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October 22, 2013

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute agreements and all related documents with CompuCom of Dallas, TX, for Microsoft Office 365 cloud messaging and collaboration services in an annual amount not to exceed \$599,760 for a period of three years, with the option of renewing for two additional one-year periods at the same annual amount, at the discretion of the City Manager, and with Planet Technologies of Germantown, MD, for one-time implementation services in an amount not to exceed \$198,000. (Citywide)

DISCUSSION

Currently, the City of Long Beach uses an on-premise system for email, calendaring, contact management, and instant messaging that was implemented in 2000. For office productivity software (i.e., word processing, spreadsheets, presentations), the City standard is the Microsoft Office 2000 suite, acquired with single-purchase licenses that do not include upgrade rights. Neither the messaging system nor the office productivity suite possesses the latest features and innovations that today's technology can offer to increase Workforce productivity.

The Technology Services Department (TSD) issued a Request for Proposal (RFP) for Cloud Messaging and Collaboration Services to replace the existing systems. TSD was seeking proposals for a cloud-based solution that would modernize and improve the overall efficiency and effectiveness of the City's electronic communications. Additionally, a cloud computing delivery model would help ensure that the systems remain current and modern over time, while still maintaining a level annual cost.

The Request for Proposal (RFP) TS-12-052 was advertised in the Press Telegram on July 27, 2012 and on July 30, 2012, and 370 potential bidders to replace the existing systems were notified of the project opportunity. Of those potential bidders, 67 downloaded the request for proposal via our electronic bid system. The proposal document was made available from the Purchasing Division, located on the seventh floor of City Hall and its website at www.longbeach.gov/purchasing. A proposal

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. Eight proposals were received on September 21, 2012. Of those eight proposals, none were a Minority-owned Business Enterprise (MBE), none were a Women-owned Business Enterprise (WBE), two were a certified Small Business Enterprise (SBE), and none were a Long Beach business (Local).

Representatives from various City departments participated on the evaluation panel. The panel evaluated the proposals in accordance to the selection criteria set forth in the RFP, participated in solution demonstrations, interviewed proposers and conducted hands-on testing of the proposed software solutions for approximately one month. A thorough examination of the technical aspects was completed to ensure compliance with the proposed solution, including their ability to meet federal and state information systems security requirements to enable Long Beach Police Department use of the system.

After this extensive review and analysis of each proposal, based on criteria set forth in the RFP document, Microsoft Office 365 was determined to have submitted the most qualified and responsive proposal. It provides more functionality than other solutions proposed and it meets the federal Criminal Justice Information Services (CJIS) security requirements applicable to state law enforcement agencies. By migrating to Office 365, Long Beach would join San Francisco, San Jose and San Diego as large California cities using this cloud solution. Planet Technologies, a Microsoft partner, was selected to implement the new system, as the firm has the most relevant experience and the lowest proposed cost.

Local Business Outreach

In an effort to align with our outreach goal, Long Beach businesses were encouraged to submit bids for City contracts. The Purchasing Division also assisted businesses with registering on the Bids Online database to download the bid specifications. Through outreach, 34 Long Beach vendors were notified to submit bids, of which none downloaded and none submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Gary J. Anderson and by Budget Management Officer Victoria Bell on October 3, 2013.

TIMING CONSIDERATIONS

City Council action on this matter is requested on October 22, 2013 to ensure that the project can proceed on schedule.

FISCAL IMPACT

The estimated annual cost to use Microsoft Office 365 is \$599,760 for an initial period of three years. It would be licensed through CompuCom, a Microsoft reseller. Once implemented, use of Office 365 would allow TSD to eliminate approximately \$220,000 in software licensing and maintenance costs and hardware costs, for a net increase of \$379,760 per year. The one-time implementation cost proposed by Planet Technologies is \$198,000. However, this cost will be partially offset as Microsoft has offered implementation funding assistance totaling \$100,000, for a net implementation cost of \$98,000. Sufficient funds are budgeted for the fiscal year 2014 cost of the agreements in the General Services Fund (IS 385) in the Technology Services Department (TS). Technology Services' costs are recovered each year through allocations to the user departments. There is no local job impact associated with this recommendation.

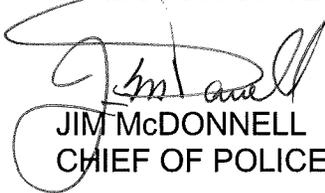
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CURTIS TANI
DIRECTOR OF TECHNOLOGY SERVICES

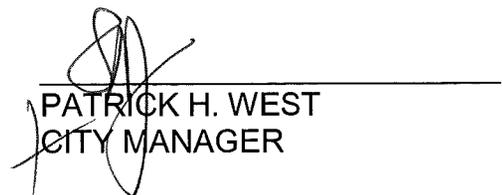


JIM McDONNELL
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APPROVED:



PATRICK H. WEST
CITY MANAGER