



CITY OF LONG BEACH

C-10

DEPARTMENT OF FINANCIAL MANAGEMENT

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November 9, 2010

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute a contract and any amendments thereto with Securus Technologies, of San Clemente, CA (not a MBE, WBE, SBE, or Local), at no cost to the City, for providing inmate phone service at the Long Beach City Jail, for a period of one year, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (District 1)

DISCUSSION

The Department of Financial Management, Purchasing Division, in conjunction with the Long Beach Police Department (LBPD), issued a Request for Proposals (RFP) for providing inmate phone service. In accordance with California Penal Code 851.5, immediately upon being booked, and, except where physically impossible, no later than three hours after arrest, an arrested person has the right to make at least three completed telephone calls.

The RFP for inmate phone service was issued on March 2, 2010, and 266 potential bidders specializing in telecommunications consulting were notified. Of those bids, 20 downloaded the RFP via our electronic bid system. The RFP document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. An RFP announcement was also included in the Purchasing Division's weekly update on Open Bid Opportunities, which is sent to 30 local, minority and women's business groups. Seven proposals were received on the due date of April 9, 2010. Of those seven proposers, two were Minority-owned Business Enterprises (MBEs), two were Women-owned Business Enterprises (WBEs), three were Small Business Enterprises (SBEs) and one was a Long Beach business (Local).

Securus Technologies was selected as the most qualified vendor based on the revenue formula offered in their proposal, which offers 51 percent of gross billable revenue. In FY 2010, there were 23,853 telephone calls made, which resulted in \$38,052 in revenue, based on 41 percent of gross billable revenue. Based on the proposed gross billable revenue of 51 percent, the City could have received \$47,333 in FY 2010. Securus Technologies proposed to provide revenue for all calls as compared to other vendors who proposed to only provide revenue on completed calls. Additional factors for their selection include their quality of service, responsiveness to calls for repairs, exceptional customer service, the ease of use of their equipment including software and website, company

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stability and market presence. In addition, Technology Services staff has reviewed the technical and system access aspects and provided approval to use these services.

Local Business Outreach

Our outreach goal during the bid process is to encourage Long Beach businesses to take advantage of local preferences offered by the City and submit bids for City contracts. We assist businesses with registering on our Bids Online database to download the bid specifications. Sixteen Long Beach vendors were contacted to offer local outreach; of which one downloaded the request for proposals; and one submitted a response to the request for proposals. The Purchasing Division will offer a debriefing to the Long Beach vendor that submitted a response to the request for proposal to educate them on process, results, and address any questions that they may have. These debriefings assist local vendors with future bid opportunities. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

The letter was reviewed by Deputy City Attorney Amy R. Burton on October 18, 2010 and Budget Management Officer Victoria Bell on October 20, 2010.

TIMING CONSIDERATIONS

City Council action to execute a contract with Securus Technologies is requested on November 9, 2010 to ensure that the contract is in place expeditiously.

FISCAL IMPACT

There will be no fiscal impact on the City's budget. Fifty-one percent of all revenue generated will be placed into the Prisoner Welfare Fund, which is restricted to finance purchases that benefit the welfare of the inmates. Forty-nine percent of the remaining revenue is retained by Securus to cover the cost of equipment installation, maintenance, and related services. There are no local jobs impacted by this action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



JIM MCDONNELL
CHIEF OF POLICE

APPROVED:



PATRICK H. WEST
CITY MANAGER