



CITY OF LONG BEACH

DEPARTMENT OF TECHNOLOGY SERVICES

333 WEST OCEAN BOULEVARD • LONG BEACH, CA 90802 • (562) 570-6455 • FAX (562) 570-5270

May 13, 2014

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. ITB TS-14-029 Rebid and award a contract to SIGMANet, Inc., of Ontario, CA, for furnishing and delivering Cisco Telephones, Network Equipment and Parts, in a total amount not to exceed \$356,000, for a period of two years. (Citywide)

DISCUSSION

City Council approval is requested to authorize the City Manager to execute a contract with SIGMANet, Inc., to furnish and deliver Cisco telephones, network equipment and parts. Over the past several years, the City has standardized on Cisco Systems technologies for our Voice over Internet Protocol (VoIP) system.

The Technology Services Department (TSD) has been modernizing the City's telephone and voice mail systems to VoIP technology. Currently, the majority of our phones have been upgraded to VoIP. Transitioning the City's entire phone system to VoIP, coupled with the conversion to Session Initiated Protocol (SIP) technology (an Internet protocol commonly used with VoIP telephone systems) is a significant advancement that has provided many benefits including:

- Lower ongoing telecommunications service provider costs
- Greater functionality for phone users
- Improved disaster recovery capabilities.

During the FY 14 Budget Adoption, the City Council approved one-time funding in the amount of \$356,000 for the telephone system upgrade. This request would allow us to upgrade approximately 950 phone lines to VoIP, enabling additional departments to benefit from the enhanced capabilities.

A bid was posted in December 2013 and only one bid was received on January 21, 2014. In order to expand the bidder pool, TSD, in conjunction with the Purchasing

Division, revised the specifications. The rebid was advertised in the Long Beach Press-Telegram on March 17, 2014, and 1,337 potential bidders specializing in technology hardware/software and services were notified of the bid opportunity. Of those bidders, 46 downloaded the bid via our electronic bid system. The bid 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. A bid 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. Three bids were received on March 27, 2014. Of those three bidders, none were Minority-owned Business Enterprises (MBEs), one was a Women-owned Business Enterprise (WBE), one was a certified Small Business Enterprise (SBE), and none were Long Beach businesses (Local). SIGMANet, Inc., of Ontario, CA (WBE), was the lowest responsible bidder.

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 assists businesses with registering on the Bids Online database to download the bid specifications. Through outreach, 106 Long Beach vendors were notified to submit bids, of which one downloaded; however, 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 Kendra Carney and by Budget Management Officer Victoria Bell on April 22, 2014.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB TS-14-029 Rebid is requested on May 13, 2014 to ensure additional VoIP telephones, network equipment and parts can be purchased to facilitate the timely installation of the new phones.

FISCAL IMPACT

The contract award is for a total amount not to exceed \$356,000 over the two-year contract term. During the FY 14 Budget Adoption process, the City Council approved one-time funding for the telephone systems upgrade. Sufficient funds are budgeted in the General Services Fund (IS 385) in the Technology Services Department (TS) for this expense. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CURTIS TANI
DIRECTOR OF TECHNOLOGY SERVICES



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER