



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-9

333 West Ocean Boulevard • Long Beach, CA 90802 • (562) 570-6845 • Fax (562) 570-5836

March 19, 2013

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-02813 and authorize the City Manager to execute a contract and all related documents with Blue Iron Network, Inc., of Huntington Beach, CA (not an MBE, WBE, SBE or Local), for the purchase of software maintenance for Lotus Domino and Lotus Notes Passport Advantage, in a total annual amount not to exceed \$138,991, for a period of one year, 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 Blue Iron Network, Inc., for the purchase of software maintenance for Lotus Domino and Lotus Notes Passport Advantage. Currently, there are approximately 4,100 Lotus Notes users in the City utilizing the software for email and calendaring functions. In addition, various City departments use other applications developed in Lotus Notes.

It should be noted that, while the existing system has met the City's needs since its implementation in 2000, City staff continues to explore potential alternatives that may provide additional benefits and lower long-term costs. As staff has communicated to the City Council previously, the Technology Services Department has been examining possible alternates to the existing system, including using cloud-based technology. The City is currently conducting a data security assessment to ensure potential security risks of cloud computing are addressed, and Federal and State criminal justice information security requirements can be met. As part of this effort, Technology Services issued a Request for Proposals for Cloud Messaging and Collaboration Software and Services on July 25, 2012. An interdepartmental team of City staff evaluated the proposals received and conducted proposer interviews. Contingent upon validation by the State Department of Justice, it is anticipated that a recommendation for a cloud-based email product will be brought to the City Council later this summer. Based on this timeline, Technology Services would not expect the need to exercise the second one-year renewal option.

The bid was advertised in the Press-Telegram on February 13, 2013, and 650 potential bidders specializing in software were notified of the bid opportunity. Of those bidders, eight downloaded the bid via the City's electronic bid system. The bid document was

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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. One bid was received on February 21, 2013 from Blue Iron Network, Inc., of Huntington Beach, CA (not an MBE, WBE, SBE or Local).

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, 54 Long Beach vendors were contacted to submit bids, of which one downloaded the bid but did not submit 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 Amy R. Webber on February 25, 2013 and Budget Management Officer Victoria Bell on February 27, 2013.

TIMING CONSIDERATIONS

City Council action is requested on March 19, 2013 because the current maintenance agreement expires on March 31, 2013.

FISCAL IMPACT

Sufficient funds are budgeted in the General Services Fund (IS 385) in the Technology Services Department (TS) to support this activity. Technology Services' costs are recovered through maintenance charges to the user departments. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT



CURTIS TANI
DIRECTOR OF TECHNOLOGY SERVICE

APPROVED:



PATRICK H. WEST
CITY MANAGER