



## Board Agenda Item No. 12

### July 29, 2021

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#### RECOMMENDED ACTION

To authorize the President and CEO to enter into a contract with 8x8, Inc., for hosted telephone and communication services.

#### STAFF REPRESENTATIVE

Patrick Pham, Executive Director/VP, Information Technology

#### BACKGROUND

Long Beach Transit (LBT) conducts its operation from three locations in Long Beach:

1. LBT1, the current administrative headquarters, located at 1963 E. Anaheim St.;
2. LBT2, which serves as a maintenance facility and bus garage/parking lot, located at 6860 Cherry Ave.; and
3. Transit & Visitor Information Center (TVIC), located at 130 E. First St.

With LBT's administrative staff's pending relocation to the multi-use office building located at 4801 Airport Plaza Dr., which will serve as LBT's corporate offices, a more extensive telephone system will be required to include the additional location.

Moreover, prior to the planned relocation of administrative staff, LBT staff was already researching the upgrade of its telephone and communication system, as the current telephone system is outdated and close to the end of its useful life. Therefore, it is an opportune time to replace the agency's telephone system with a modern and up-to-date platform. Staff is recommending a Unified Communications as a Service (UCaaS) platform, which is a hosted communication solution that provides voice, audio and video conferencing, as well as instant messaging and chat capabilities.

A UCaaS platform provides various benefits, including:

- Consolidated telephone services from multiple providers into one provider, including dial-tone, local and long-distance calling plans
- Reduction of costs for operating on premise systems including hardware, software and licenses
- Growth accommodation
- Reduction of administration and maintenance complexity
- Unified messaging (voice, video, email, text message and other web services)
- Capability for music on hold
- Audio and video conferencing capabilities
- Capability to page over phones and overhead
- 24x7 remote monitoring and maintenance capabilities
- Supports eFax capabilities

The contracted services include user licenses, equipment, and services required to assess, plan, prepare and deploy the new UCaaS telephone platform.



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#### **PROCUREMENT**

LBT issued a Request for Proposal (RFP) to multiple firms nationwide and received 12 qualified proposals.

The proposals were evaluated based on the following criteria:

- Qualifications of the Firm
- Staff Experience and Project Management
- Prior Experience with Similar Job Complexity
- Technical Solution and Work Plan
- Price

The total amount of possible points for the technical evaluation was 70. Pricing made up an additional 30 points, for a total of 100 points. The top two firms, based on the technical evaluation and pricing, had scores of 74 and 88 points.

The combined technical score and overall cost resulted in the selection of 8x8, Inc., which received the highest number of points.

8x8, Inc., located in Campbell, California, was found to be responsive and compliant by LBT's Purchasing department at a cost of \$305,635 for a five-year contract. Due to the complexity of the project, staff is requesting a 10% contingency in the amount of \$30,563 for unforeseen issues.

#### **DBE/SBE PARTICIPATION**

A Small Business Enterprise (SBE) goal of 13% was established for this contract. There were 12 bidders, of which five were deemed responsive and compliant by LBT's Purchasing department.

Of the five firms, three, including 8x8, Inc., would utilize 8x8, Inc., as a solutions provider, a term for an organization that offers any combination of computer hardware, software and consulting.

8x8, Inc., the selected bidder, worked with LBT's Disadvantaged Business Enterprise (DBE) Office to identify SBE-certified subcontractors who may be able to perform the implementation, which is a portion of the work outlined in the contract; however, they were unsuccessful in confirming an SBE firm.

As documented on their Good Faith Effort (GFE) form, the SBEs that were contacted were either non-responsive to the subcontractor solicitation or did not provide the specific service 8x8, Inc., was seeking.

LBT's DBE Office verified the GFE documentation by contacting the listed SBEs and deemed 8x8, Inc., responsive and eligible for award.



#### **ALTERNATIVES CONSIDERED**

Staff considered upgrading the existing telephone system, which is not a UCaaS platform, along with implementing a new telephone system at LBT's new corporate offices. However, staff does not recommend this option as this alternative solution was determined to be more costly to deliver and maintain, with less functionalities than the UCaaS platform.

#### **BUDGETARY/FISCAL IMPACT**

Funds for Year One of this contract were included in the previously approved Fiscal Year 2022 operating budget, and funding for subsequent years will be included in future operating budgets.

#### **STAFF RECOMMENDATION**

Staff is recommending LBT's Board of Directors to authorize the President and CEO to enter into a five-year contract with 8x8, Inc., for hosted telephone and communication services for \$305,635, with a 10% contingency of \$30,563, for a total authorization amount not to exceed \$336,199.

A handwritten signature in blue ink, reading 'K. McDonald'.

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Kenneth A. McDonald  
President and Chief Executive Officer