

**City of Culver City, California
Agenda Item Report**

Meeting Date: 02/14/2011		Item Number: <u>C-3</u>	
CITY COUNCIL AGENDA ITEM: Approval of a Professional Services Agreement with AT&T Telecommunications (Los Angeles, CA) for the Support and Maintenance of Cisco Components that Comprise the City's Telephone and Data Network Systems.			
Contact Person/Dept.: David Leuck		Phone Number: 310.253.5961	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒ Date: _____			
Public Notification: Meetings and Agendas – City Council (02/09/11)			
Department Approval: John Richo (02/03/11)		City Attorney Approval: Carol Schwab (by H. Baker) (02/09/11)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (02/09/11)		City Manager Approval: John M. Nachbar (02/09/11)	
<u>RECOMMENDATION:</u> Staff recommends that the City Council approve a professional services agreement with AT&T Telecommunications (Los Angeles, CA) for the support and maintenance of Cisco components for the City's Telephone and Data Network systems. <u>BACKGROUND:</u> On July 20, 2009 the City Council approved the purchase of Cisco telephone system and network components to transition from an analog to a digital telephone and data network system. Included in the purchase were Cisco maintenance agreements needed by the City to implement and maintain the systems during the first year. Cisco maintenance ensures that the City has access to replacements, system upgrades, and technical support on the devices and software now in production. The City began the transition to the new digital telephone systems and data network in the spring of 2010 with final acceptance of the completed system in January 2011. <u>DISCUSSION:</u> Cisco network and telephone equipment is covered for parts, labor, and technical support through a contract known as SmartNet. While Cisco is the ultimate provider of the services, the City is able to shop for the best price through the reseller			

City of Culver City, California
Agenda Item Report

community utilizing the discounts available through CMAS and other preferential previously-bid pricing agreements.

For this year's agreement, the Information Technology Department proposes to combine the contracts for Cisco equipment previously owned and in service with the new equipment to create a master renewal strategy for the components. Staff reviewed the usage patterns and needs and updated the support strategy to ensure that critical components and public safety site equipment was covered.

Culver City Municipal Code Section 3.07.085.A exempts professional services from the formal competitive bidding requirement, provided competitive quotations are obtained whenever practical, as determined by the City Manager. For this renewal, staff elected to shop for the best price for SmartNet contracts. Four vendors were invited to bid:

- Black Box
- Continuant, Inc.
- CDWG
- AT&T Telecommunications

Black Box and Continuant after meetings and review declined to bid. Both determined that unless the SmartNet coverage was combined with value added services the City was not a fit for their support strategy. Value added services are supplemental support and troubleshooting options provided by the company for which additional fees are paid. CDWG and AT&T Telecommunications both submitted bids with AT&T Telecommunications providing the lowest price.

CDWG Proposal:	\$58,658.80
AT&T Proposal:	\$40,209.12

The prior phone and data networking equipment had been maintained through separate vendors in both the IT and the Non-Departmental budgets. Those amounts for Fiscal Year 2009/2010 year were:

• IT Maintenance	\$11,341.51
• Non-Departmental	\$50,000.00

	\$61,134.51

The replacement of the telephone and network systems has decreased the overall maintenance costs in Fiscal Year 2010/2011 by \$20,925.39

It is proposed that the Agreement be for a four year term with a maximum allowable increase in the following year of up to 10% of the prior year's fee.

City of Culver City, California
Agenda Item Report

FISCAL ANALYSIS:

Sufficient funds have been appropriated in account 31016100.512410 for the purpose of funding the annual maintenance of the telephone and network systems.

ATTACHMENTS:

Attachment 1 – AT&T Bid
Attachment 2 – CDWG Bid

MOTION:

That the City Council:

1. Approve a professional services agreement with AT&T Telecommunications (Los Angeles) for support and maintenance of the Cisco components of the City's telephone and data network in an amount not to exceed \$40,209.12 for Fiscal Year 2011/2012 and an amount not to exceed a 10% increase per year for up to three years thereafter (a total of a four year term); and,
2. Authorize the City Attorney to review/prepare the necessary documents; and,
3. Authorize the City Manager to execute such documents on behalf of the City;