



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Authorize Amending an Existing Contract for Cellular Wireless Phone Services (F16-24)

REPORT IN BRIEF

Approval is requested to amend an existing contract with Verizon Wireless to increase the value by \$20,000, from \$96,000 to \$116,000. Approval is also requested to delegate authority to the City Manager to extend the contract up to four additional one-year periods, subject to available funding, acceptable pricing and service.

EXISTING POLICY

Pursuant to Chapter 2.08 of the Sunnyvale Municipal Code, Council approval is required for transactions which exceed \$100,000.

ENVIRONMENTAL REVIEW

N/A

BACKGROUND AND DISCUSSION

The City's wireless service program includes mobile broadband devices (MBBs, also referred to as data modems), smart phones, tablets, and cellular phones. Almost half of the monthly service costs are for the MBBs, which are used primarily by Department of Public Safety (DPS) Patrol and Fire to access the Computer Aided Dispatch (CAD) system remotely through in vehicle computers, as well as other applications and information from the field. Beginning this Fiscal Year, service will also include field access to electronic patient care records.

The City is using Verizon Wireless for the bulk of its cellular wireless services, "piggybacking" off the State of California Western States Contracting Alliance (WSCA) Master Price Agreement (State Contract No. 7-10-70-16). The state contract has been extended through 2019. The current blanket order in place for wireless services has a not to exceed value of \$96,000 and will expire on October 1, 2015.

In 2008, DPS started using Nextel for covert operations, and subsequently added Investigations and SWAT in 2010. The change was related to more timely/efficient administration of account changes, as well as taking advantage of the (then) new technology push -to-talk (PTT) feature. Now, account administration can be done online, and PTT is no longer a desired feature, so DPS began transferring these wireless devices from Nextel Communications to the City's main Verizon account near the end of FY 2014/15. While this will result in less account administration, it will not decrease costs. As part of the conversion, DPS is upgrading to a more current technology, which will have a higher monthly services cost. However, like the existing MBBs, these devices will allow DPS to access and use information in the field.

The Information Technology Department (ITD) estimates that the conversion of DPS wireless devices has increased the value of the existing blanket order by \$20,000 to a total of \$116,000, thus requiring Council approval. Additional one year renewal periods are expected to incrementally increase as smart phones are added to the contract. Future contract values can be estimated but are difficult to predict with a high degree of certainty, so delegated authority for the annual renewals based upon not to exceed budgeted amounts is recommended.

The City consolidated wireless carriers to Verizon in 2010 to save costs and improve communications efficiency (RTC No. 10-241). It is expected that Verizon will remain the City's carrier for the foreseeable future. That said, Information Technology staff regularly evaluates changes in technology and market conditions for potential alternatives.

FISCAL IMPACT

Funds for wireless services are budgeted throughout the City's various operating programs based on estimated actual use. Staff will evaluate funding in the upcoming operating budget cycle and recommend budgetary changes for subsequent fiscal years as appropriate. The additional cost associated with the move away from Nextel in Public Safety can be absorbed in the FY 2015/16 Department of Public Safety operating budget.

Funding Source

This contract is funded by all City funds that have operations and utilize cellular service of one type or another. The majority is funded by the General Fund..

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

1) Approve an amendment to an existing contract with Verizon Wireless to increase the contract value by \$20,000, from \$96,000 to \$116,000; and 2) delegate authority to the City Manager to renew the contract for up to four additional one-year periods, subject to available funding, acceptable pricing and service.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, Assistant Director, Finance

Reviewed by: David Jensen, Director, Information Technology

Reviewed by: Jane Chambers, Interim Assistant City Manager

Approved by: Kent Steffens, Assistant City Manager
for Deanna J. Santana, City Manager

ATTACHMENTS

1. Draft Blanket Purchase Order