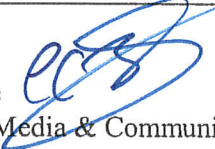






City of Tacoma

Resolution No. _____
Meeting Date: December 16, 2014
City Council Action Memorandum
Purchase Resolution – Exhibit "A"

TO: Board of Contracts and Awards

FROM: T.C. Broadnax, City Manager, City Manager's Office 
Gwen Schuler, Media & Communications Manager, Media & Communications Office 

COPIES:  Jeff Lueders, Cable Communications & Franchise Services, MCO
City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and Joe Parris, Finance/Purchasing

SUBJECT: CityNet Network Equipment and Related Services – Western States Contracting Alliance (WSCA) Contract #02702 – December 16, 2014

DATE: December 1, 2014

SUMMARY:

The City Manager's Office/Media & Communications Office recommends a contract be awarded to Alcatel-Lucent USA, Inc., Alpharetta, GA, for the purchase of CityNet network electronic equipment and related services for a projected contract amount of \$1,100,000.00, plus sales tax, and a six year technical support and next day hardware replacement agreement for a projected contract amount of \$312,842.63, plus sales tax, for a cumulative total of \$1,412,842.63.

STRATEGIC POLICY PRIORITY:

- Strengthen and maintain a strong fiscal management position.
- Strengthen and support public safety, human services, public education, and diverse higher learning opportunities in Tacoma.
- Foster neighborhood, community, and economic development vitality and sustainability.
- Encourage and promote an open, effective, results-oriented organization.

Approval for the City of Tacoma to utilize this Vendor Pricing from the WSCA Contract #02702 would demonstrate the City's commitment to continue to strengthen our strong fiscal management by having the opportunity to take advantage of the cost savings from the WSCA Contract and the savings negotiated as part of this contract with a well-established, national vendor.

BACKGROUND:

ISSUE: The current CityNet Electronics have reached end-of-life and based on the cost analysis of the technical support and hardware replacement contract, it is cost prohibitive for us to attempt to continue to utilize this equipment. The replacement equipment will enhance CityNet's ability to continue to serve the internal and external CityNet customers within the City of Tacoma in the most cost efficient and effective manner.

ALTERNATIVES: Staff would utilize the City's standard competitive bidding process for each equipment purchase. The process could result in higher costs and delays in project timelines.

COMPETITIVE ANALYSIS: This contract was competitively bid by the State of Washington and allows state and local agencies to utilize the contract through the Western States Contracting Alliance. Staff completed an analysis of quotes from two known vendors in our region and it was determined that there was a significant cost savings by utilizing the Alcatel-Lucent pricing from the WSCA State contract.

CONTRACT HISTORY: New contract.



SUSTAINABILITY: Staff has and will continue to maximize the use of our CityNet equipment in order to maintain an efficient operation in serving the approximately 135 internal and external CityNet customers that pay approximately \$220,000 annually for the services that we provide. The current equipment has been utilized beyond the manufacturer’s suggested life cycle. We have and will continue to work diligently with the vendor to identify areas of increased sustainability and continue to explore equipment options that provide increased network capacity while attempting to decrease energy consumption.

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION:

The City Manager’s Office/Media & Communications Office recommends a contract be awarded to Alcatel-Lucent USA, Inc., Alpharetta, GA, for the purchase of CityNet network electronic equipment and related services for a projected contract amount of \$1,100,000.00, plus sales tax, and a six year technical support and next day hardware replacement agreement for a projected contract amount of \$312,842.63, plus sales tax, for a cumulative total of \$1,412,842.63 plus sales tax.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1431 Cable Fund (2013-14 Budget)	638100	ISY-00014	\$ 455,000
1431 Cable Fund (2015-16 Budget)	638500	ISY-00017	\$ 750,000
1431 Cable Fund	638100	5310100	\$ 342,562.63
TOTAL			\$ 1,547,062.60

* General Fund: Include Department

EXPLANATION OF EXPENDITURES:

7210 SAS-R6 Total	\$143,684.60
7210 SAS-M Total	\$97,510.00
7210 SAS-T Total	\$544,906.50
1830 VMM Total	\$24,210.00
5620 SAM Total	\$37,750.00
Service Portal Total	\$291,900.00
Professional Services Total	\$305,000.00
Project Total	\$1,444,961.10 plus tax
*Management Adjustment:	(\$344,961.10)

6 year Tech Support and Next Day Hardware Replacement Total: \$312,842.63 plus tax

FINANCE PURCHASING
DEC 22 2014 15:56:01



City of Tacoma

Resolution No. _____
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FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 0

(\$ 1,517,372.30 IMPACT TO 2015-16 BUDGET)

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes