



TO: Board of Contracts and Awards
FROM: Patsy Best, Procurement and Payables Division, Finance Department *PBest*
Dawn Leischner, Purchasing Financial Manager, Finance/Procurement and Payables
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
Andrew Cherullo, Finance Director
SUBJECT: Verizon Wireless citywide contract Increase for Cell Phone Airtime, Wireless Data
Services and Related Equipment Purchases
Washington State Department of Enterprise Services NASPO Contract No. 06012,
Contract No. 4600008751
DATE: March 14, 2017

SUMMARY:

Finance, Procurement and Payables Division requests approval to increase Contract No. 4600008751 with Verizon Wireless, by \$4,000,000.00 for citywide cell phone airtime, wireless data services and related equipment purchases. The total increase of \$4,000,000.00, includes ratification of prior expenditures and future estimated Tacoma Public Utilities (TPU) and General Government usage. This increase will bring the contract to a cumulative amount of \$7,400,000.00, plus applicable sales tax.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an Open, Effective, Results-oriented Organization.

This contract promotes an Effective and Results-Oriented organization by allowing employees to communicate while out of the office.

BACKGROUND:

This increase allows for continuation of cell phone airtime, wireless data services and related equipment purchases.

ISSUE: The City of Tacoma (City) and the Tacoma Public Utility (TPU) employees have the need for cell phone airtime services, wireless data services, and the ability to purchase related equipment on an ‘as-needed basis.’ The wireless voice and data services allow city staff to communicate when in the field or while away from their work station which allows for more efficient use of staff time and is beneficial in expediting needed City services. The wireless services are used extensively by our Police and Fire Departments which enhance public safety services. The current citywide contract is valid through June 30, 2019.

ALTERNATIVES: The alternative course of action would be to not increase the contract and approach each phone as an individual purchase. This would result in a significant cost increase due to not utilizing the national discount. To issue our own competitive bid solicitation would not get us the volume discounted rates we are currently receiving because the current contract has nationwide use.

COMPETITIVE SOLICITATION: The citywide contract used through an interlocal agreement is based on the Washington State Department of Enterprise Services Contract No. 06012 participating addendum with the National Association of State Procurement Officials (NASPO) Contract No. 1907 which was competitively solicited and meets Tacoma's competitive solicitation requirements.

CONTRACT HISTORY: This citywide contract for \$3,400,000.00, approved per Resolution No. 38627 on February 13, 2013 is based on the Washington State Department of Enterprise Services Contract No. 06012 participating addendum with the National Association of State Procurement Officials (NASPO) Contract No. 1907 good through October 31, 2016. The State extended their contract to June 30, 2019 so the Citywide Contract was administratively extended to coincide with the expiration date of the State contract. This increase will bring the contract to a cumulative total of \$7,400,000.00, plus applicable sales tax to be able to utilize the contract until the current expiration date. This is the first amendment to the contract.

SUSTAINABILITY: Not applicable.

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION: The Finance Department, Procurement and Payables Division requests approval to increase Contract No.4600008751 with Verizon Wireless, by \$4,000,000.00 for citywide cell phone airtime, wireless data services and related equipment purchases. This increase will bring the contract to a cumulative amount of \$7,400,000.00, plus applicable sales tax.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME*	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various departmental funds			\$4,000,000
TOTAL			

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
N/A			
TOTAL			

POTENTIAL POSITION IMPACT:

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
N/A			
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Various Department Budgets

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes MAR 2 '17 PM 12:43