

Agenda Report

TO: CITY COUNCIL

DATE: NOVEMBER 1, 1999

FROM: CITY MANAGER

SUBJECT: City of Pasadena Agreement with Pacific Bell and State of California for the Provision of Telecommunications Services and Products

RECOMMENDATION:

It is recommended that the City Council:

- 1) authorize the City Manager to enter into the Master Agreement for the Provision of Telecommunications Services and Products between Pacific Bell and the State of California for a period of one year for an amount not to exceed \$550,000; The proposed contract is exempt from competitive bidding, pursuant to City Charter Section 1002(H) contracts with other governmental entities or their contractors; and
- 2) authorize the City Manager to extend the contract for up to four additional one-year periods without further City Council approval provided the terms, conditions and pricing remain as stated in the Master Agreement.

It is further recommended that the City Council grant this contract an exemption from the competitive selection process of the Affirmative Action in Contracting Ordinance, pursuant to section 4.09.060[C], contracts for which the City's best interests are served.

BACKGROUND:

In April 1993, the City entered into the Master Agreement for telecommunication services and equipment between the State of California and Pacific Bell allowing the City to use Pacific Bell's services for basic dial tone to place and receive telephone calls. Under that agreement telecommunication costs remained at its current rate through October 1999.

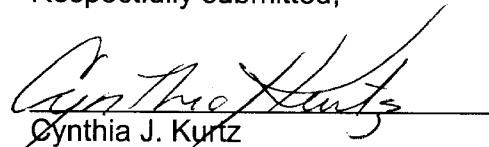
The recommended contract, available to the City immediately, could result in lowering the cost of this service by as much as 22%. Based on historical usage it is anticipated that the City will reduce its annual spending for this service from \$615,108 in FY99 to less than \$500,000 annually in future years.

The proposed contract amount anticipates this lower cost and provides for a 10% contingency to cover unanticipated adds, moves or changes to the City's telecommunication services. It is further recommended that Pacific Bell be exempt from the competitive selection process of the Affirmative Action in Contracting Ordinance, pursuant to section 4.09.060[C], contracts for which the City's best interests are served.


FISCAL IMPACT:

This is a customer driven and financed serviced. Sufficient funds have been budgeted within departments to cover the cost of this contract.

Respectfully submitted,


Cynthia J. Kurtz
City Manager

Approved by:


Robert Person
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Office of the City Manager

Prepared by:


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