



CITY COUNCIL AGENDA REPORT

MEETING DATE: APRIL 5, 2016

ITEM NUMBER: CC-9

SUBJECT: CITY'S PHONE SYSTEM WHOLESALE SERVICE AGREEMENT

DATE: MARCH 23, 2016

FROM: POLICE DEPARTMENT – SUPPORT SERVICES DIVISION

PRESENTATION BY: BRYAN GLASS, CAPTAIN

FOR FURTHER INFORMATION CONTACT: CPT. BRYAN GLASS – 714.754.5603

RECOMMENDATION:

Approve and authorize the Chief Executive Officer to execute the Avaya wholesale service agreement and wholesale service renewal options for a three year contract with Carousel Industries for the maintenance and support of the City's Avaya phone system, in an amount not to exceed \$49,177.50 annually with a one-time re-initiation fee of \$19,809.36, with the option to renew for two additional one year terms, upon mutual agreement of both parties.

BACKGROUND:

In February 2012, the City Council approved an upgrade to the City's Avaya phone system and acquired an Avaya wholesale service agreement with Merrill & Associates. The service agreement with Merrill & Associates expired on August 31, 2015, and currently the City does not have technical and maintenance support for the City's Avaya phone system. Additionally, the City is unable to acquire new licenses to expand upon the phone system until a new service agreement is established.

ANALYSIS:

On September 9, 2015, a Request for Quote (RFQ) was issued to four potential bidders who are authorized Avaya resellers. The submission deadline for the RFQ was October 2, 2015 at 10:00 a.m. Purchasing issued Amendment No. 1 to provide the City of Costa Mesa account numbers to the potential bidders to allow access to the Avaya Sold To Records information and to adjust the optional contract terms.

One bid was received from Carousel Industries on October 1, 2015. The bid is to provide the services outlined in the RFQ for an amount not to exceed \$49,177.50 annually with a one-time re-initiation fee of \$19,809.36.

ALTERNATIVES CONSIDERED:

No alternatives are being considered as there is an immediate need to implement a service agreement for the City's Avaya phone system. This will allow the City to both ensure system issues are addressed immediately as they occur and the City has the ability to expand upon the system as needed.

FISCAL REVIEW:

Funding for this agreement is included in the fiscal year 2015-16 budget as follows:
520400-101 Telephone/Radio/Communications = \$115,388.

LEGAL REVIEW:

The City Attorney's Office has reviewed the wholesale service agreement with Carousel Industries and approved it true to form. Public Contract Code, Section 22175 et seq., does not apply to this agreement because the contract value is below the threshold set forth in Public Contract Code, Section 22178(a). Additionally, the agreement does not fall within the contract areas specified in Public Contract Code, Section 22178(a).

CONCLUSION:

It is recommended that the City Council authorize the Chief Executive Officer to execute the wholesale service agreement and wholesale service renewal options with Carousel Industries for the City's Avaya phone system maintenance.

BRYAN GLASS
Captain

ROBERT N. SHARPNACK
Chief of Police

STEPHEN DUNIVENT
Interim Finance Director

- ATTACHMENTS:
1. [Avaya Wholesale Service Agreement](#)
 2. [Certificate of Liability Insurance](#)