



City Council Report

Date: May 20, 2013
To: City Council
Through: Alex Deshuk, Manager of Technology and Innovation
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Alyce Benge, C.P.M., CPPO, Purchasing Administrator
Subject: Purchase of Network Hardware and Services to provide network services to eleven (11) City locations and to reduce costs at nine (9) other locations, as requested by the Information Technology Department (**Citywide**)

Purpose and Recommendation

Council is requested to approve the Contract to provide network services to eleven (11) City locations and to reduce costs at nine (9) other locations as recommended.

Information Technology and Purchasing recommend authorizing purchase from the lowest, responsive and responsible bidder, Cox Communications at \$44,640.00 annually for network services; and purchase from the State of Arizona contract with Enterprise Network Solutions Inc. (a Mesa business) at \$29,247.21 for additional network hardware. The combined total award is \$73,887.21.

Background / Discussion

Departments with geographically dispersed sites such as Fire, Parks & Recreation and Utilities have staff increasingly reliant upon the City's budget, financial, human resources and timekeeping, unified communications, and video conferencing and document management and other systems. These business needs are driving the need for increased network performance. City locations that are not connected via fiber are experiencing unacceptable response times impacting productivity, increasing frustration, and in some situations, limiting the ability to use services such as video conferencing.

To address these needs at these facilities, Information Technology recommends an interim commercial solution that would incrementally improve network performance, provide redundancy, and through this competitive bid, actually lower existing leased costs for some departments while awaiting a more permanent solution. The hardware obtained for this purchase will be reusable with fiber connectivity when funded.

By combining all existing and new broadband sites into one bid, the City was able to obtain very competitive rates reducing annual costs by \$11,748 for 9 sites already using leased broadband.

A list of all affected sites is provided below:

Site	Increased Bandwidth	Provides Redundancy	Cost Savings
FS 202		X	
FS 209		X	
FS 210		X	
FS 211		X	
FS 213		X	
FS 214		X	
FS 215		X	
FS 216		X	
FS 218		X	
FS 220		X	
Police Pistol Range	X	X	
Jefferson Gym & Rec	X		X
School Gym Webster	X		X
Solid Waste Modular	X		X
UT WRP Southeast	X	X	X
Mesa Cemetery			X
Dobson Golf Course			X
Hohokam Stadium			X
Express Library			X
MAGMA	X	X	X

Due to the construction expense of a few locations (Police Pistol Range, Magma and Solid Waste Mobile site), the awarded vendor requires a three year minimum commitment for all sites.

We recommend this term for two primary reasons:

- Fiber for these sites is being proposed, but the scheduled implementation is no sooner than next 2-3 years, pending funding. Without the three year term, the vendor's price estimate for the single Police Pistol Range site has been estimated at \$50,000 or \$35,000 through City Microwave options, versus this contract's three year leased rate total cost of \$6,696.00.
- The majority of the remote sites are Fire Stations that require highly reliable and redundant connectivity for their critical systems such as Station Alerting system, ePCR and telephone communications. This effort provides that redundancy which means the City will not need to invest in other redundant solution as originally believed.

Alternatives

Council may choose not to award the contract and new bids will be obtained.

Fiscal Impact

The total amount of \$73,887.21 for the initiation of this effort is available in the Information Technology budget. Ongoing operating costs for the leased connectivity will be budgeted annually from the various departments.

Coordinated With

Information Technology and Purchasing

March 6, 2013 Responses:

Bid was issued for 22 sites and two different speed options shown below. Bid was awarded to 20 sites per ITD.

Cox Communications
Phoenix, AZ

28/4Mbps Bandwidth Speed per month	\$4,092.00 (Recommended)
20/20Mbps Bandwidth Speed per month	\$11,578.00

Qwest Communications Corp. dba CenturyLink
Phoenix, AZ

28/4Mbps Bandwidth Speed per month	\$6,264.86
20/20Mbps Bandwidth Speed per month	\$11,065.60

I. PURCHASING INFORMATION

Action: Award
Procurement Type: Invitation for Bids
Solicitation Number: 2013013
Vendors Registered on Bid List: 77 (2 Mesa)
Advertising: Arizona Republic, Bid Net, Record Reporter, Purchasing Website
Downloads: 39
Protests Received: None
Pricing: The City reserves the right to purchase additional items at the bid price for 180 days after the bid award date
Cooperative: Pricing available to other public agencies

AWARD RECOMMENDATION

Cox Communications Arizona, LLC
Phoenix, AZ

Description	Extended Pricing 20 Sites
Monthly Network Connectivity charges for 20 remote sites via Broadband Network Service per bid results (speed 28/4Mbps)	\$186 / site:
Total Annual Contract Amount	\$44,640.00

II. PURCHASING INFORMATION

Action: Award
Contracting Agency: State of Arizona
Contracting Agency Contract Number: ADSPO12-024653
Mesa Contract Number: 2013087

Enterprise Networks Solutions Inc.
Mesa, AZ

Description	Extended Pricing
Additional Network Hardware per State Contract quote	
Sub-Total	\$26,820.00
9.05% sales tax	<u>\$2,427.21</u>
Total	\$29,247.21

COMBINED TOTAL AWARD: \$73,887.21