

OAKLAND CITY COUNCIL

REVISED

FILED
OFFICE OF THE CITY CLERK
OAKLAND

RESOLUTION NO. 77925 C.M.S.

Approved as to Form
and Legality


City Attorney

~~2003 JUN 26 PM 2:56~~

REQUEST FOR AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A STATE OF CALIFORNIA CALNET CONTRACT FOR SBC CENTREX TELEPHONE SERVICES AND TO AUTHORIZE THE CITY MANAGER TO NEGOTIATE AND EXECUTE TELECOMMUNICATIONS CONTRACTS FOR LOCAL TOLL AND LONG DISTANCE SERVICES FOR ALL CITY OF OAKLAND OFFICES, FOR A PERIOD NOT TO EXCEED 2 YEARS.

Whereas, effective May 15, 1990, the City of Oakland has been provided with SBC Centrex services through a contract which expires August 13, 2003; and

Whereas, the contract includes a provision allowing for an extension for an additional two years; and upon extending the contract, the City is required to maintain a minimum number of telephone lines, resulting in expenditures for telephone lines that may no longer be required; and

Whereas, it is in the best interest of the City that the current contract's extension option not be exercised, and instead new service be obtained through the State of California negotiated contract (CALNET); and

Whereas, the CALNET contract allows the City to obtain service on a month-to-month basis and includes giving the City the option of reducing the number of telephone lines, by not imposing a line minimum, thereby reducing overall City telephone service cost; and

Whereas, the implementation of the CALNET contract results in a reduction in cost of \$0.05 (five cents) per line/per month, for each standard telephone line configuration we presently have under the SBC contract; and

Whereas, based on the current estimated amount of telephone lines of more than 5000, and with a \$1,800,000.00 per year expenditures under the existing SBC Centrex contract, this would represent an annual savings of approximately \$ 3,000.00; and

Whereas, the estimated \$3,000.00 annual savings is based solely on the current telephone lines, and does not include cost savings from lines eliminated as a result of exercising the City's option to reduce the number of lines as allowed in the CALNET contract; and

Whereas, by repositioning our existing Centrex service contract to the CALNET contract, the City will be able to provide greater flexibility in its Telecommunications services, while realizing overall cost savings; and

Whereas, through the negotiation and execution of local toll and long distance services contracts, the City can take advantage of "Best Call Routing" principles, which allow for the least expensive carriers to be selected as service provider, and thus obtain the greatest savings; and

Whereas, after reviewing the City of Oakland's current contracts for telecommunications services, and in anticipation of implementing a significant cost savings measure in this area; and

Whereas, the regular telephone services the City Manager wishes to purchase in relation to the existing CALNET State of California contract are exempt from the City's formal advertising and bidding requirements pursuant to OMC 2.04.080; and therefore be it

Resolved: That, pursuant to OMC 2.04.050, I, 5, the City Council hereby finds and determines that it is in the best interests of the City to waive formal advertising and bidding requirements and to authorize the City Manager to negotiate for local toll and long distance services for the period of August 2003 to August 2005; and, be it

Further Resolved: that the City Manager is authorized to negotiate and execute local toll and long distance services contracts in order to provide cost savings to the City; and be it

Further Resolved: that the authorization to negotiate and execute local toll and long distance services contracts will be for a period not to exceed 2 years; and be it

Further Resolved: that the contracts will be approved as to form and legality by the City Attorney, and copies placed on file with the Office of the City Clerk.

JUL 15 2003

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, REID, QUAN, WAN and PRESIDENT DE LA FUENTE -8

NOES-

ABSENT-

ABSTENTION-

ATTEST:



CEDA FLOYD

City Clerk and Clerk of the Council
of the City of Oakland, California