



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt resolution authorizing the City of Lodi to contract for wireless services from Verizon Wireless under the terms of the State of California Contract for Wireless Services (Master Contract #1S-05-58-02) (ISD)

MEETING DATE: June 21, 2006

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Adopt resolution authorizing the City of Lodi to contract for wireless services from Verizon Wireless under the terms of the State of California Contract for Wireless Services (Master Contract #1S-05-58-02)

BACKGROUND INFORMATION: The City of Lodi has purchased wireless (cellular) services and wireless hardware from Verizon Wireless utilizing the discounts available under the terms of the Western States Contracting Alliance (WSCA) contract. Verizon Wireless has signed a contract with the State of California and no longer offers the option to buy new service plans or renew expiring service plans using the WSCA contract. Instead, Verizon Wireless is requiring the City of Lodi to sign a Local Government Entity Authorization User Agreement in order to utilize the enhanced discounts offered under the terms of the State of California Contract for Wireless Services (Master Contract #1S-05-58-02.) The WSCA contract still exists, but Verizon Wireless no longer participates in it, and is only offering the State Master Wireless Services contract.

Typically, wireless service plans are for a period of one or two years for each wireless telephone. As each of these Verizon Wireless service plans expire, the 15% WSCA government discount is ending and the service plans are going up to full tariff pricing. Another important consideration is that under WSCA, when a wireless phone is no longer needed, and the service plan is terminated early, there is a required flat \$175.00 early termination fee. This fee has been eliminated in the new State Master Wireless Services contract. Under the new contract, new price plan changes may potentially save the City of Lodi \$350.00 to \$900.00 per month.

One of the new contract offerings is a special State of California Zero Access Local Calling Plan. A brief overview of the Zero Access plan is:

- No monthly access charges unless calls are made.
- Pay only for the minutes that are actually used.
- Per minute charge is only 6.5¢ per minute from the State of California Home Airtime Rate and Coverage Area. Taxes and other charges may apply.
- Can switch to other more beneficial plans should staff go to training or have business out of state (or seasonal spike in calling e.g. Parks & Recreation Department during summer months.)

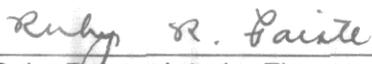
APPROVED: James R. Krumm
for Blair King, City Manager

Zero access would provide for standby wireless phones that might be used during emergencies or natural disasters.

Government Code §6502 authorizes the City to participate jointly with other public agencies in such a program, and Lodi Municipal Code §3.20.070 allows alternative methods of procurement when such methods are in the best interest of the City. The City would benefit from volume pricing as well as saving time and expense of competitive bidding on previously-bid contracts.

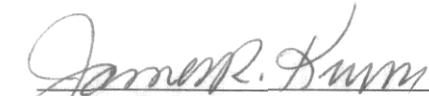
FISCAL IMPACT: This will allow the City of Lodi to continue participation in government discount programs and there may be an overall reduction in ongoing wireless telephone costs.

FUNDING: Each department has budgeted for ongoing wireless telephone costs.



Ruby Paiste, Interim Finance Director

Respectfully Submitted,



James R. Krueger
Deputy City Manager

Prepared by:
Mark White, Information Systems Coordinator

CMW

cc: Steve Mann, Information Systems Manager
Steve Schwabauer, City Attorney's Office
Joel Harris, Purchasing Officer

RESOLUTION NO. 2006-113

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY
MANAGER TO EXECUTE CONTRACT FOR WIRELESS SERVICES FROM
VERIZON WIRELESS UNDER THE STATE OF CALIFORNIA CONTRACT
FOR WIRELESS SERVICES (MASTER CONTRACT #1S-05-58-02)

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WHEREAS, Lodi Municipal Code §3.20.070 authorizes dispensing with bids for purchases of supplies, services, or equipment when it is in the best interest of the City to do so; and

WHEREAS, the City of Lodi has purchased wireless (cellular) services and wireless hardware from Verizon Wireless utilizing the discounts available under the terms of the Western States Contracting Alliance (WSCA) contract; and

WHEREAS, Verizon Wireless has signed a contract with the State of California and no longer offers the option to buy new service plans or renew expiring service plans using the WSCA contract; and

WHEREAS, instead, Verizon Wireless is requiring the City of Lodi to sign a Local Government Entity Authorization User Agreement in order to utilize the enhanced discounts offered under the terms of the State of California Contract for Wireless Services (Master Contract #1S-05-58-02), and even though the WSCA contract still exists, Verizon Wireless no longer participates in it, and is only offering the State Master Wireless Services contract; and

WHEREAS, typically, wireless service plans are for a period of one or two years for each wireless telephone. As each of these Verizon Wireless service plans expire, the 15% WSCA government discount is ending and the service plans are going up to full tariff pricing. Another important consideration is that under WSCA, when a wireless phone is no longer needed, and the service plan is terminated early, there is a required flat \$175.00 early termination fee. This fee has been eliminated in the new State Master Wireless Services contract. Under the new contract, new price plan changes may potentially save the City of Lodi \$350.00 to \$900.00 per month; and

WHEREAS, one of the new contract offerings is a special State of California Zero Access Local Calling Plan. A brief overview of the Zero Access plan is:

- No monthly access charges unless calls are made.
- Pay only for the minutes that are actually used.
- Per minute charge is only 6.5¢ per minute from the State of California Home Airtime Rate and Coverage Area. Taxes and other charges may apply.
- Can switch to other more beneficial plans should staff go to training or have business out of state (or seasonal spike in calling e.g. Parks & Recreation Department during summer months); and

WHEREAS, Zero access would provide for standby wireless phones that might be used during emergencies or natural disasters; and

WHEREAS, Government Code §6502 authorizes the City to participate jointly with other public agencies in such a program, and Lodi Municipal Code §3.20.070 allows alternative methods of procurement when such methods are in the best interest of the City. The City would benefit from volume pricing as well as saving time and expense of competitive bidding on previously bid contracts.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to execute a contract for Wireless Services from Verizon Wireless under the terms of the State of California Contract for Wireless Services (Master Contract #1S-05-58-02).

Dated: June 21, 2006

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I hereby certify that Resolution No. 2006-113 was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 21, 2006, by the following vote:

AYES: COUNCIL MEMBERS – Beckman, Hansen, Johnson, Mounce,
and Mayor Hitchcock

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


JENNIFER M. PERRIN
Interim City Clerk