TO:          HONORABLE CITY COUNCIL

FROM:       CITY MANAGER          DEPARTMENT: POLICE

DATE:       JUNE 28, 2004          CMR:295:04

SUBJECT:    APPROVAL OF A CONTRACT AMENDMENT BETWEEN THE
            CITY OF PALO ALTO AND TELECOMMUNICATIONS
            ENGINEERING ASSOCIATES (TEA) INCREASING THE
            CONTRACT AMOUNT FROM $56,996 TO $99,338 FOR ANNUAL
            MAINTENANCE SERVICES FOR EQUIPMENT AND RELATED
            RADIO INFRASTRUCTURE EQUIPMENT

RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to execute a contract
Amendment with Telecommunications Engineering Associates (TEA) in the amount of
$42,342 for annual maintenance services for the City’s radio infrastructure and related
console radio equipment.

BACKGROUND

On June 24, 2003, the Police Department executed a contract (Contract No. S3147499) with
Telecommunications Engineering Associates (TEA) in the amount of $51,008 for
professional maintenance and repair services for the City’s two-way radio infrastructure and
console equipment. This contract was awarded (Attachment A) following a competitive
search for professional radio maintenance services conducted in late October 2002. The
TEA Contract was increased to the total amount of $56,996 in February 2004 to include
additional equipment previously covered under warranty (Zetron Fire Station Alerting
Equipment) and console equipment previously maintained by a Communications
Technician.

As part of the two-year FY 2003-05 budget process, the Police Department proposed closure
of the City’s radio shop and the elimination of the two remaining Communications
Technician positions. This cost savings plan to contract out those services was approved by
City Council in June 2003.
The cost increase for the proposed amendment (Attachment B) reflects the expanded equipment list. Additionally, the amendment increases the number of renewals for subsequent years from two to four years in order to receive the vendor’s 10 percent multi-year discount.

**DISCUSSION**

It is imperative that the City’s radio infrastructure and related equipment be maintained at the highest level of service. Until recently, the City has relied upon in-house staff for this work. It has become increasingly difficult to keep up the increasing demands placed upon the existing staff and it is unusual for a city the size of Palo Alto to maintain a radio service center. Most other cities rely upon outside vendors to perform these critical services. Professional engineering and maintenance contractors like TEA offer a significantly larger number of resources and carry the burden and responsibility for keeping their technical staff abreast of the ever-changing technology used in the radio systems. Contracting out these services provides a more efficient means of meeting the service level demands as well as a more cost-effective approach to delivering these services.

TEA will provide professional telecommunications engineering services to maintain the City’s radio infrastructure and related console equipment 24 hours, 365 days per year. Along with routine and emergency repairs for the equipment covered under this agreement, TEA will provide total problem resolution and will be the single point of contact with equipment manufacturers, vendors, outside agencies, and SBC. TEA will investigate all reports of system problems and will make the necessary repairs in a manner that will keep any system downtime to an absolute minimum. All equipment covered under this agreement will be maintained by TEA in excellent working condition, utilizing current industry standards and modern preventative maintenance techniques.

During the past year, the Police Department and Human Resources have worked to provide alternate employment for the existing radio shop staff. As previously mentioned, one technician accepted a promotion to a technologist position in the Administrative Services Department. The City has also been in the meet and confer process with SEIU Local 715, and the City has proposed a solution that would retain the current communications technician, modify duties and keep that position in the Police Department assisting with related job duties until such time the employee has found other employment. At that time the position would be eliminated. This position would liaise with other City departments
and the contractor. The Police Department would make reductions in other related contract
costs by retaining this position.

Bid Process

A competitive bid process was completed in late 2002 and the contract was awarded to

RESOURCE IMPACT

The cost for this contract ($99,338) is reflected in the Police Department’s FY 2004-05
operating budget. The annual net savings to the City by contracting the radio shop
operations is $191,335.

POLICY IMPLICATIONS

This agreement is consistent with existing City policy, including the City Manager’s
commitment to restructure the City organization.

ENVIRONMENTAL REVIEW

This contract is exempt from the requirements of the California Environmental Quality Act
(CEQA), pursuant to Section 15301 of the CEQA guidelines.

ATTACHMENTS

Attachment A: TEA Contract No. S3147499
Attachment B: Amendment #2

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