



# City of Palo Alto

## City Council Staff Report

(ID # 10811)

---

Report Type: Consent Calendar

Meeting Date: 12/2/2019

**Summary Title: Approval of Extension with Verizon WSCA/NASPO Contract**

**Title: Approval of Contract Amendment Number 4 with Verizon Wireless Through December 31, 2020, Utilizing the Western State Contracting Alliance (WSCA) Contract 1907, California Participating Addendum, a Cooperative Agreement for Wireless, Voice and Broadband Services, Accessories and Equipment for an Annual Cost of Approximately \$300,000**

**From: City Manager**

**Lead Department: IT Department**

### **Recommendation**

Staff recommends that Council approve and authorize the City Manager or his designee to enter into Contract Amendment No.4 with Verizon Wireless, utilizing the Western States Contracting Alliance ("WSCA") Master Service Agreement, State of California Participating Addendum No. 7-11-70-16 (WSCA No.1907), a cooperative agreement, for wireless, voice, and broadband services, accessories and equipment, through December 31, 2020, at an annual cost of approximately \$300,000 citywide (Attachment A).

### **Executive Summary**

WSCA, also known as NASPO ValuePoint, is a cooperative procurement and contracting consortium for state and local agencies and political subdivisions. Contract Amendment No. 4 with Verizon Wireless utilizes a cooperative agreement between Verizon Wireless and NASPO ValuePoint, with a State of California Department of General Services-negotiated Participating Addendum that applies California law and other protections for California contracting entities. The underlying NASPO ValuePoint master agreement was entered into pursuant to a competitive request for proposals process. The cooperative agreement allows the City to utilize Verizon Wireless, T-Mobile, AT&T and/or Sprint networks.

### **Background**

The City has over 500 devices which consist of cell phones, wireless devices and equipment with an annual spend of roughly \$300,000 per year. By using the NASPO ValuePoint cooperative agreement, the City can leverage the significant cost savings that this cooperative agreement sets forth.

Staff prepared a presentation for Finance Committee on October 16, 2018 (<https://www.cityofpaloalto.org/civicax/filebank/documents/67394>), pages 8 – 11 outlining the benefits and discounts afforded to the City by utilizing this cooperative agreement. The Finance Committee approved a motion to move the approval of this cooperative agreement to Council for approval. On November 5, 2018, Council approved the use of this cooperative agreement (CMR 9766 - <https://www.cityofpaloalto.org/civicax/filebank/documents/67454>) through June 30, 2019. The cooperative agreement was extended by NASPO ValuePoint for six months through December 31, 2019 (Attachment B) and again through December 31, 2020. Contract Amendment No.4 is exempt from competitive solicitation requirements under Palo Alto Municipal Code section 2.30.360(j) (exemption for cooperative purchases).

The City currently has an account with Verizon Wireless with the IT Department as the master account. Sub-accounts are created under the master account for each city department as necessary based on department usage. Each city department is responsible for payment of its respective accounts each month. Staff recommends continuing to use the NASPO ValuePoint cooperative agreement for the City’s mobile technology needs.

**Discussion**

By utilizing this cooperative agreement, the City can benefit from competitive cellular rate plans and realize significant hardware cost savings. In addition to cellular services and hardware, the City will also be utilizing the beneficial cooperative contract pricing to purchase tablet devices, equipment and accessories. A contract such as this allows IT to keep-up with the demand for mobile computing and lead the way in supporting a mobile workforce; leveraging the cooperative agreement streamlines the process while ensuring competitive pricing for a wide variety of mobile services.

Consistent with analysis provided previously for prior amendments, below is a comparison of what a consumer would pay direct from Verizon Wireless compared to utilizing this cooperative agreement.

<b>Phone Specification</b>	<b>WSCA Price Per Month</b>	<b>Verizon Direct Price Per Month (as of 10/28/2019)</b>
<b>iPhone 8</b>	\$0.99 one-time – 1 Year contract	\$18.74/month – 2 Year contract (\$449.99)
Capacity	64GB	64GB
Unlimited Data	\$24.99	\$70.00 - \$90.00
Voice Minutes	\$0.06/min	Included

Text	100 free, 400=\$3; 1100=\$10; unlimited=\$12	Included
Support Provided	Government Enterprise Advisor, Major Account Manager, 1- 800 Number	1 - 800 Number
Central Management	Company Web Portal	N/A
Line Fee	N/A	N/A
<b>Samsung S9</b>	\$99.99 one time – 1Year contract	\$24.99/month – 2 Year contract (\$599.99)
Capacity	64GB	64GB
Data, Voice, Text, Support, Central Management and Line Fee	Same as above	Same as above

### **Resource Impact**

The annual cost of this contract, citywide, is approximately \$300,000. Funding for this contract is available in the FY 2020 Operating Budget for each City Department/Fund. Funding for future years is subject to the annual budget process and contingent upon Council approval.

### **Environmental Review**

Approval of this contract does not constitute a project under the California Environmental Quality Act (CEQA); therefore, no Environmental Assessment is required.

#### **Attachments:**

- Attachment A: Verizon Amendment 4 MSA 1907 extension 12312020
- Attachment B: Verizon Wireless Master Amendment 3

For Purchasing Use Only:  
RFP/CONTRACT # 1907

**AMENDMENT #4 TO CONTRACT**

Between the State of Nevada  
Acting By and Through Its

Various State Agencies  
Monitored By: Department of Administration  
Purchasing Division  
515 East Musser Street, Suite 300  
Carson City, NV 89701  
Contact: Teri Becker  
Phone: (775) 684-0178 Fax: (775) 684-0188  
Email: [tbecker@admin.nv.gov](mailto:tbecker@admin.nv.gov)

and

Cellco Partnership d/b/a/ Verizon Wireless  
One Verizon Way  
Basking Ridge, NJ 07920  
Contact: Doug Robertson  
Phone: (949) 246-8700  
Email: [doug.robertson@verizonwireless.com](mailto:doug.robertson@verizonwireless.com)

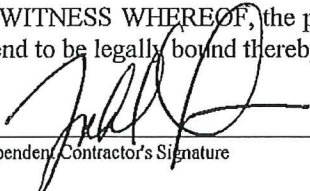
1. AMENDMENTS. For and in consideration of mutual promises and/or their valuable considerations, all provisions of the contract between the above-referenced parties resulting from Request for Proposal #1907 and dated April 16, 2012 (the "Contract"), remain in full force and effect with the exception of the following:

A. The Contract term shall be extended to December 31, 2020 to allow time for execution of the new NASPO ValuePoint Contract Number CJ 18012. During the extended time, from January 1, 2020 through December 31, 2020, no Product Addition Requests or new Participating Addenda will be accepted under Master Contract Number 1907.

2. INCORPORATED DOCUMENTS The Contract is incorporated herein by reference.

3. REQUIRED APPROVAL. This amendment to the original contract shall not become effective until and unless approved by the NASPO Directors.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.

  
Independent Contractor's Signature  
Date 7-16-2019

**Todd Loccisano**  
**VP - Contract Management (WLS)**  
Independent's Contractor's Title

  
Kevin D. Doty, Acting Administrator, State of Nevada  
Date 8/5/19

APPROVED BY NASPO Directors  
On \_\_\_\_\_

Approved as to form by: \_\_\_\_\_ (Date)

  
Deputy Attorney General for Attorney General  
On \_\_\_\_\_ (Date)

For Purchasing Use Only:  
RFP/CONTRACT # 1907

**AMENDMENT #3 TO CONTRACT**

Between the State of Nevada  
Acting By and Through Its

Various State Agencies  
Monitored By: Department of Administration  
Purchasing Division  
515 East Musser Street, Suite 300  
Carson City, NV 89701  
Contact: Teri Becker  
Phone: (775) 684-0178 Fax: (775) 684-0188  
Email: [tbecker@admin.nv.gov](mailto:tbecker@admin.nv.gov)

and

Cellco Partnership d/b/a/ Verizon Wireless  
One Verizon Way  
Basking Ridge, NJ 07920  
Contact: Doug Robertson  
Phone: (949) 246-8700  
Email: [doug.robertson@verizonwireless.com](mailto:doug.robertson@verizonwireless.com)

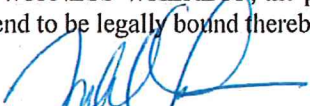
1. AMENDMENTS. For and in consideration of mutual promises and/or their valuable considerations, all provisions of the contract between the above-referenced parties resulting from Request for Proposal #1907 and dated April 16, 2012 (the "Contract"), remain in full force and effect with the exception of the following:

A. The Contract term shall be extended to December 31, 2019 to allow time for execution of new Participating Addenda. During the extended time, from July 1, 2019 through December 31, 2019, no Product Addition Requests will be accepted.

2. INCORPORATED DOCUMENTS The Contract is incorporated herein by reference.

3. REQUIRED APPROVAL. This amendment to the original contract shall not become effective until and unless approved by the NASPO Directors.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.

  
\_\_\_\_\_  
Independent Contractor's Signature

3/8/2019  
\_\_\_\_\_  
Date

Todd Loccisano  
Executive Director  
Contracting  
\_\_\_\_\_  
Independent's Contractor's Title

  
\_\_\_\_\_  
Jeffrey Haag, Administrator, State of Nevada

APPROVED BY NASPO Directors  
On 3.22.2019  
\_\_\_\_\_

Approved as to form by:  
  
\_\_\_\_\_  
Deputy Attorney General for Attorney General

(Date)  
On 14 Mar 19  
\_\_\_\_\_  
(Date)