



# City of Hollywood

Hollywood City Hall  
2600 Hollywood Blvd  
Hollywood, FL 33020  
<http://www.hollywoodfl.org>

## Legislation Text

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**File #:** R-2015-223, **Version:** 1

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A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Appropriate City Officials To Negotiate And Execute An Agreement Between United Data Technologies (UDT) And The City Of Hollywood For The Lease/Purchase And Maintenance Of A Unified Communications System; And Further Authorizing A Six-Year Financing Agreement Between Key Government Finance And The City Of Hollywood For A Total Estimated Amount Of \$1,155,554.00.

Staff Recommends: Approval of the Attached Resolution.

### Explanation:

The City's telephone system infrastructure is segregated and technologically obsolete.

The Department of Information Technology is requesting to replace the current hybrid PBX telephone/voicemail/911 premise identification system with a new Unified Communications System (City-wide telephone system).

On May 1, 2014, notices of the availability of RFP-4398-14-JE were posted on the City's website as well as the Demandstar in accordance with the City's Purchasing Ordinance.

RFP-4398-14-JE was opened at 3:00 p.m., Thursday, May 29, 2014, and resulted in responses from eight (8) firms:

- AT &T  
Sunrise, Florida
- Dimension Data  
Raleigh, North Carolina
- Fulton Communications  
Delray Beach, Florida
- Insight Public Sector, Inc.  
Tampa, Florida
- Interactive Intelligence

Indianapolis, Minnesota

- SwitchTech/Teleswitch International  
Miami, Florida
- Unify  
Boca Raton, Florida
- United Data Technologies  
Doral, Florida

Evaluations of the Proposals were based upon the following criteria as established in the RFP: 1) Experience in U.C. Industry 2) Project Organization and Technical Qualifications of the Persons Assigned to the Project 3) Project Understanding, Proposed Approach and Methodology 4) References and Successfully Completed Similar Projects and 5) Cost of Equipment and Professional Services Fee.

The firms' proposals were evaluated by an Evaluation Committee comprised of the Information Technology staff, City Treasurer, Director of the Office of Parking and Intergovernmental Affairs and the Director of Public Affairs and Marketing.

After the Evaluation Committee reviewed all Proposals received, the Proposals received from Interactive Intelligence, Insight Public Sector, Fulton Communications, AT&T, Unify and Dimension Data were all deemed non-responsive as they did not meet the Insurance Requirements and/or the Hold Harmless Indemnity requirements.

The Proposals received from United Data Technologies and SwitchTech/Teleswitch met all the requirements of the RFP and the Evaluation Committee requested Oral Presentations by both firms.

On July 31, 2014, Oral Presentations were held and after both firms presented, the Evaluation Committee ranked the firms in the below order as follows:

- United Data Technologies
- SwitchTech/Teleswitch

On August 19, 2014, Dimension Data North American, Inc. of Raleigh, North Carolina filed a protest in connection with the pending award of the contract and/or the process leading to the award of the contract in accordance with the City's Purchasing Ordinance, Section 38.51(A).

A public bid protest hearing was held on Thursday, September 18, 2014, to review, settle and resolve the protest.

The Protest Committee was comprised of the Human Resources Director, the Director of Planning and Development Services and the Director of Public Utilities.

The Protest Committee determined that the pending award of the contract and/or any element of the

process leading to the award did not involve a significant violation of law or applicable rule or regulation, and denied the bid Protest.

The proposal submitted by UDT indicated financing for a five (5) year period, however, in the addendum submitted by UDT/Cisco they acknowledged the financing provided by Key Government Finance will be over a six (6) year period.

In the proposal submitted by UDT, the Information Technology Department selected the option for a complete Unified Communications System at a cost of \$1,250,921.65, which included a buyout cost for the City's current telephone system in the amount of \$238,182.34.

The initial buyout cost submitted in UDT's proposal has been significantly reduced, as the City has continued to make payments towards the current telephone system with Siemens, Inc. (also financed by Key Government Finance), the current vendor, and these subsequent payments to the leasing structure reduce the buyout amount to \$142,814.69, therefore, the total acquisition cost for the UDT's system is now \$1,155,554.00.

Because the Unified Communications System will be financed, the financing interest rate at this point is 0%, however, the final interest rate cannot be determined until the overall project is awarded to UDT (Key Government Finance).

In comparing the City's current telephone system quarterly leasing payments to Siemens (Key Government Finance), UDT (Key Government Finance) has offered to match the current leasing structure to minimize the City's overall cost for their Unified Communications System.

The Evaluation Committee recommends that the City Commission authorize negotiation and execution of agreements between UDT and the City of Hollywood and Key Government Finance and the City of Hollywood for the lease/purchase and maintenance of a Unified Communications System for a six (6) year period in the amount not to exceed \$1,155,554.00.

Principal and interest payments and payments for maintenance costs under the terms of the proposed agreements will not be incurred or made by the City until ninety (90) days after the execution of the agreements.

Funding will be made available in certain identified line item accounts as part of the proposed FY 2016 Operating Budget subject to the adoption and approval by the City Commission of said Operating Budget and funding for the payments to be made in future years will be proposed in the applicable future year's operating budget subject to the adoption and approval of said future year's budget by the City Commission.

The City of Hollywood reserves the right to terminate the agreement with or without cause effective thirty (30) days from date of written notice.

Award is subject to the City's receipt and approval of all insurance certificates required by the City's Risk, along with signed Statement of Hold Harmless and Indemnity in favor of the City.

Recommended for inclusion on the agenda by:

Wazir A. Ishmael, City Manager

Matthew Lalla, Director, Financial Services

Raheem Seecharan, Director, Information Technology

Joel Wasserman, Director, Procurement Services