



General Manager
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TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Karl R. Amylon, General Manager

DATE: February 23, 2021

RE: **Exempting the Procurement of Annual Hosted IP Business Phone System Professional Engineering Maintenance and Support Services for the Telecommunications Division from the Competitive Bidding/Written Quotation Requirements of the Ketchikan Municipal Code – ECG, Inc.**

The motion detailed below was prepared at the request of Telecommunications Division Manager Ed Cushing, who asked that it be placed before the City Council for consideration at its meeting of March 4, 2021. If adopted, the motion provides for exempting the procurement of annual hosted IP business phone system professional engineering maintenance and support services for the Telecommunications Division from the competitive bidding/written quotation requirements of the Ketchikan Municipal Code and authorizing the acquisition of such maintenance and support services at a cost of \$75,000 from ECG, Inc.

Subparagraph (A) of Section 3.12.051(c)(2) of the Ketchikan Municipal Code provides for exempting the purchase of such professional engineering maintenance and support services from competitive bidding/quotation when:

“The manager demonstrates to the council that there is a single source of the expertise or knowledge required, or that one person or firm can clearly perform the required tasks more satisfactorily because of the person’s or firms prior work.”

Subparagraph (2) of Section 3.12.051(b) of the Ketchikan Municipal Code further provides:

“Any proposed professional service contracts with an estimate cost in excess of \$50,000 shall be awarded by the council.”

The rationale for the exemption is detailed in Mr. Cushing’s transmittal memorandum and requires no elaboration on the part of my office. I concur with the Telecommunications Division Manager’s recommendation.

Mr. Cushing will be attending the City Council meeting of March 4, 2021, in order to address any questions and/or concerns that Councilmembers may have.

A motion has been prepared for City Council consideration.

RECOMMENDATION

Pursuant to subparagraph (A) of Section 3.12.051(c)(2) and subparagraph (2) of Section 3.12.051(b) of the Ketchikan Municipal Code, it is recommended the City Council adopt the motion exempting the procurement of annual hosted IP business phone system professional engineering maintenance and support services from the competitive bidding and written quotation requirements of the Ketchikan Municipal Code; authorizing the General Manager to enter into an agreement for such professional engineering maintenance and support services with ECG, Inc. in an amount not to exceed \$75,000; and approving funding from the Telecommunications Division's 2021 Engineering & Architectural Professional Services account (Account No. 640.02).

Recommended Motion: Pursuant to subparagraph (A) of Section 3.12.051(c)(2) and subparagraph (2) of Section 3.12.051(b) of the Ketchikan Municipal Code, I move the City Council exempt the procurement of annual hosted IP business phone system professional engineering maintenance and support services from the competitive bidding and written quotation requirements of the Ketchikan Municipal Code; authorize the General Manager to enter into an agreement for such professional engineering maintenance and support services with ECG, Inc. in an amount not to exceed \$75,000; and approve funding from the Telecommunications Division's 2021 Engineering & Architectural Professional Services account (Account No. 640.02).



KPU Telecommunications

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Memorandum

To: Karl Amylon, KPU General Manager

From: Ed Cushing, KPU Telecommunications Division Manager

Date: February 23, 2021

Subject: **Request Authorization under 3.12.051(c)(2)(A) and 3.12.051(b)(2) of the Ketchikan Municipal Code to Exceed \$50,000 for Professional Services Provided by ECG, Inc. in the amount of \$75,000.**

The purpose of this memorandum is to request that the KPU General Manager - under sections 3.12.051(c)(2)(A) and 3.12.051(b)(2) of the KMC - seek City Council approval to enter into a sole-source professional services agreement with ECG, Inc. for an amount not to exceed \$75,000. This purchase is in keeping with the 2021 expense budget plan, and procures the professional engineering support necessary to maintain our Hosted IP business phone system, ensuring KPU Telecommunications' ongoing ability to provide Hosted PBX voice services to business customers.

Background:

In 2015, KPU launched the Broadworks IP Phone switch as replacement for the end-of-life M6 IP switch for the Hosted IP business phone system. This is the system that provides advanced Hosted IP voice services to over 100 businesses and agencies throughout Ketchikan. The initial purchase came with an annual support contract with a partner vendor, Averistar. In 2016 Broadworks' parent company, Taqua, was acquired by Sonus. This meant that the engineering maintenance and technical support no longer had to be provided by Averistar. Subsequently, staff identified two other Broadworks' partners that provide this support and identified ECG, Inc. as the provider with the best model to meet KPU-T's needs in supporting the Broadworks platform.

ECG, Inc:

The provisions of section 3.12.051(c)(2)(A) allow the council to award a professional services contract in excess of \$50,000 without the solicitation of proposals when "The manager demonstrates to the council that there is a single source of expertise of knowledge required, or that one person or firm can clearly perform the required tasks more satisfactorily because of the person's or firm's prior work."

KPU Telecommunications sole-sourced this Broadworks specific engineering support to ECG, Inc. beginning in January, 2018 after an initial evaluation of three different vendors. ECG, Inc. specializes in supporting the Broadworks platform and provides highly advanced technical support, analysis, and advice to KPU Telecommunications in the management and on-going development of our voice platform. Operating, maintaining, and repairing this sophisticated system of software and hardware technology is critical for keeping pace with the rapid transformation of digital technology in this space.

ECG, Inc. provides 24/7 support and is one of Broadworks' largest support providers. This partnership allows us to maintain KPU's Broadworks servers with the most current code so we can offer the latest in communication and collaboration services to our customer base; and provides us new opportunities for growth.

Given the combination of ECG, Inc.'s unique in-depth knowledge of the KPU network, advanced knowledge of the Broadworks platform, and existing relationships (ensuring immediate access to the highest levels of support, analysis, and issue resolution) – ECG's services have consistently proven to be necessary, timely, and accurate in the pursuit of achieving maximum responsiveness, reliability, quality, and innovation from the Broadworks platform.

The annual service cost is included in the 2021 operating budget within the Engineering and Architectural Professional Services account (640.02).

Recommended Motion:

I move that the City Council authorize the General Manager, under sections 3.12.051(c)(2)(A) and 3.12.051(b)(2) of the KMC, to enter into a professional services contract with ECG, Inc. for an amount of \$75,000 and authorize funding from the Telecommunications Division's 2021 Operations budget under the Engineering and Architectural Professional Services account (640.02)

CC: Lacey Simpson, Assistant KPU General Manager
Michelle Johansen, City Finance Director