

- f.** Procurement of Email Services, Network Monitoring and Customer Support Services from NeoNova Network Services

TRANSMITTAL MEMORANDUM

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TO: The Honorable Mayor & City Council

FROM: Delilah A. Walsh, General Manager Initials: 

DATE: March 28, 2024 File #: MGR24-222

RE: **Procurement of Email Services, Network Monitoring, and Customer Support Services from NeoNova Network Services**

The motion detailed below was prepared at the request of Telecommunications Division Manager Dan Lindgren, who asked that it be placed before the City Council for consideration at its meeting of April 4, 2024. If adopted, the motion provides for authorizing the purchase of email services, network monitoring, and customer support services from NeoNova Network Services in an amount not to exceed \$110,000. The service platforms are related to kpunet.net customers.

In adopting the 2024 Ketchikan Public Utilities Operating and Capital Budget, the City Council appropriated \$115,000 to the Telecommunication Division’s 2024 Technical Services account (635.12) for the cost of the Division’s email platform and after-hours monitoring and support.

The purchase is exempt from competitive bidding or quotations pursuant to Section 3.12.050(a)(6)(a) & (b) of the Ketchikan Municipal Code (KMC), but the purchase does require City Council approval as it is more than \$10,000.

The rationale for this procurement is detailed in Mr. Lindgren’s transmittal memorandum. As this purchase is exempted from competitive bidding by the KMC with Council approval, the cost is included in the 2024 budget, and the purchase is critical to maintenance of the kpunet.net platform, I concur with Mr. Lindgren’s recommendation.

Recommended Motion: Pursuant to Section 3.12.050(a)(6)(a) & (b) of the Ketchikan Municipal Code, I move the City Council approve the purchase of email services, network monitoring, and customer support services from NeoNova Network Services in an amount not to exceed \$110,000; authorize funding from the 2024 Telecommunication Division technical services account (635.12); and direct the General Manager to execute the purchase documents on behalf of the City Council.



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Memorandum

To: Delilah Walsh, KPU General Manager

From: Dan Lindgren, KPU Telecommunications Division Manager

Date: March 26, 2024

Subject: **Request to Approve the Procurement of Email Services, Network Monitoring, and Customer Support Services from NeoNova Network Services.**

The purpose of this memorandum is to request that the General Manager seek City Council approval to procure the renewal of annual email, network monitoring, and customer support agreements with NeoNova Network Services (NeoNova). If adopted, this motion approves the procurement of NeoNova services to “prevent incompatibility” and authorizes the acquisition at a cost not to exceed \$110,000.

Background

KPU Telecommunications utilizes NeoNova to provide three critical services:

1. 24/7 customer support of our products, including Fiber / DSL Internet, IPTV, email, and telephone:
 - a. NeoNova provides advanced troubleshooting of customer devices, in relation to KPU services.
 - b. NeoNova is able to resolve many issues remotely, opening tickets for technician visits when remote resolution is not possible.
 - c. NeoNova provides call-out of KPU staff, based on rules, to address priority items on a real-time basis.
2. 24/7 network monitoring of our core network:
 - a. NeoNova monitors KPU’s “Orion” system, calling out KPU technicians in the event that any core or access equipment goes into alarm.
 - b. This allows us to respond to, and resolve, issues much faster, reducing customer downtime.
3. The KPU email platform, as it relates to “kpunet.net” customers.

- a. This saves KPU considerable time, effort and expense (as opposed to KPU investing in the hardware, software and ongoing multiple Tier 3 support services necessary to operate its own independent email platform).

The purchase is exempt from competitive bidding or quotations pursuant to subparagraph 6 of section 3.12.050 (a) of the Ketchikan Municipal Code (KMC), but the purchase does require City Council approval as it is over \$10,000. The KMC section provides for the exemption from competitive bidding/written quotation when:

“Supplies, materials, equipment or contractual services which should be purchased from a specific source in order to prevent incompatibility with previously purchased supplies, materials, equipment or contractual services. For purposes of this subparagraph, the term “incompatibility” is defined as:

- (a) The inability to interconnect, combine, interchange, or join; or
- (b) That which causes substantial duplication in maintenance, expertise or training or in the stocking of parts, materials, supplies or replacements

Any purchase which is to be excluded from competitive bidding by the authority of this subparagraph which exceeds ten thousand dollars must first be approved by the council.”

Acquiring services from NeoNova is the only option available to KPU that prevents incompatibility with KPUs existing customer support services, network monitoring and email platform presently provided by NeoNova. NeoNova also has increased experience and familiarity with the KPU network which helps them to promptly identify and correct customer support issues and which also integrates tightly to their network monitoring services and email platform helping to insure exceptional customer support. Accordingly, I recommend seeking approval from the City Council to approve the procurement from NeoNova to prevent incompatibility.

The annual costs are part of the 2024 operating budget in the Technical Services account (635.12)

Recommended Motion:

I move that the City Council approve the procurement of email services, network monitoring, and customer support services from NeoNova for KPU's Telecommunications Division in the amount of \$110,000 with funding to come from account 635.12 Technical Services account in the 2024 KPU Annual Budget.

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