



AGENDA REPORT

Meeting Date: July 7, 2011
Item Number: F-19
To: Honorable Mayor & City Council
From: David Schirmer, Chief Information Officer
Subject: APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND LUCA ENTERPRISES, INC. DBA TELECOM DESIGN, INC., FOR TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY CONSULTING SERVICES RELATED TO TELECOMMUNICATIONS RESEARCH, DESIGN, ENGINEERING AND CUSTOMER SERVICE SUPPORT; AND

AUTHORIZE A PURCHASE ORDER IN AN AMOUNT NOT-TO-EXCEED \$60,000 FOR THE SERVICES.

Attachments: 1. Agreement

RECOMMENDATION

Staff recommends that the City Council approve an Agreement between the City and Luca Enterprises, Inc. DBA Telecom Design Inc. for telecommunications and information technology consulting services related to telecommunications research, design, engineering and customer service support; and authorize a purchase order in an amount not-to-exceed \$60,000 for the services.

INTRODUCTION

Telecom Design is a telecommunications consulting firm that serves as an authorized solutions provider for many of the leading telecommunications carriers. Telecom Design has been trained by the carriers and has direct access to the carriers for competitive pricing, application availability, engineering support, and customer service.

Based on the expertise of Telecom Design, the City has partnered with them to further develop the City's telecommunication infrastructure and to facilitate integration with citywide systems. Expansion of enterprise telecommunications systems is part of the

Information Technology 5-Year Strategic Plan and has been identified as a departmental Work Plan item for the fiscal year.

DISCUSSION

Information Technology, in conjunction with the Smart City / Technology Committee, has identified exploration and identification of potential telecommunications initiatives for the City's business community as a priority for the fiscal year. Specifically, staff and the Committee are interested in the possible benefits of developing and enhancing the City's overall telecommunications infrastructure to accommodate local business initiatives.

This Agreement with Telecom Design will provide consulting services to assist the City with further research and development of the City's options. The consultant is also knowledgeable in FCC regulations and public utility commissions to help guide decisions that may be governed by such agencies, which will assist City staff in determining best practices for potential enhancements.

Planned projects include:

- Ad hoc consulting related to the City's business community telecommunications infrastructure. This also includes leveraging recent technologies implemented by the City; and
- Exploring possibilities for new revenue streams from leasing the City's existing fiber to telecommunications carriers.

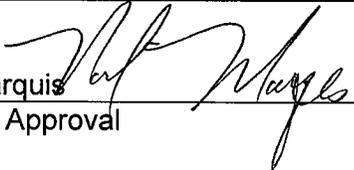
FISCAL IMPACT

Funds for this purchase are budgeted and available in Information Technology's Computer Acquisition CIP account.

Funds for this project are provided as follows:

Budget Unit	Account #	Description of Fund Source/Account #	Amount
31410883	85050	CIP Equipment	\$60,000.00
Total:			\$60,000.00

Noel Marquis
Finance Approval



David Schirmer
Approved By



Attachment 1

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND LUCA ENTERPRISES, INC. DBA TELECOM DESIGN, INC. FOR TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY CONSULTING SERVICES FOR TELECOMMUNICATIONS RESEARCH, DESIGN, ENGINEERING AND CUSTOMER SERVICE SUPPORT

NAME OF CONSULTANT:

Telecom Design, Inc.

RESPONSIBLE PRINCIPAL OF CONSULTANT:

Joe Luppercio President/CEO

CONSULTANT'S ADDRESS:

734 W. Alegria Avenue
Sierra Madre, CA 91024
Attention: Joe Luppercio
President/Chief Executive Officer

CITY'S ADDRESS:

City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: David Schirmer
Chief Information Officer

COMMENCEMENT DATE:

July 1, 2011

TERMINATION DATE:

June 30, 2012

CONSIDERATION:

Not to exceed \$60,000.00 based on the rates set forth in Exhibit B

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND LUCA ENTERPRISES, INC. DBA TELECOM DESIGN, INC. FOR TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY CONSULTING SERVICES FOR TELECOMMUNICATIONS RESEARCH, DESIGN, ENGINEERING AND CUSTOMER SERVICE SUPPORT

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and Telecom Design, Inc. (hereinafter called "CONSULTANT").

RECITALS

A. CITY desires to have certain services provided as set forth in Exhibit A (the "Scope of Work"), attached hereto and incorporated herein.

B. CONSULTANT represents that it is qualified and able to perform the Scope of Works.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONSULTANT's Scope of Work. CONSULTANT shall perform the Scope of Work described in Exhibit A in a manner satisfactory to CITY and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions.

Section 2. Term of Agreement. This Agreement shall commence on July 1, 2011 and shall terminate on June 30, 2012.

Section 3. Time of Performance. CONSULTANT shall commence its services under this Agreement upon receipt of a written notice to proceed from CITY in the manner described in Exhibit A. CONSULTANT shall complete the services in conformance with the project timeline established by the City Manager or his designee.

Section 4. Compensation.

(a) If services are requested by the City, City agrees to compensate CONSULTANT, and CONSULTANT agrees to accept in full satisfaction for the services required by this Agreement the Consideration more particularly described in Exhibit B, attached hereto and incorporated herein by this reference. Said Consideration shall constitute reimbursement of CONSULTANT's fee for the services as well as the actual cost of any equipment, materials, and supplies necessary to provide the services (including all labor, materials, delivery, tax, assembly, and installation, as applicable). In no event shall the CONSULTANT be paid more than the yearly maximum Consideration set forth above.

(b) CONSULTANT shall be entitled to reimbursement only for those expenses expressly set forth in Exhibit B. Any expenses incurred by CONSULTANT which are not expressly authorized by this Agreement will not be reimbursed by CITY.

Section 5. Method of Payment. CONSULTANT shall submit to City a detailed invoice (as is further described in Exhibit B), on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Within 30 days of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice.

Section 6. Assignment. This Agreement shall not be assigned in whole or in part, by CONSULTANT without the prior written approval of CITY. Any attempt by CONSULTANT to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

Section 7. Responsible Principal(s)

(a) CONSULTANT's Responsible Principal set forth above shall be principally responsible for CONSULTANT's obligations under this Agreement and shall serve as principal liaison between CITY and CONSULTANT. Designation of another Responsible by CONSULTANT shall not be made without prior written consent of CITY.

(b) CITY's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of CITY.

Section 8. Personnel. CONSULTANT represents that it has, or shall secure at its own expense, all personnel required to perform CONSULTANT's Scope of Work under this Agreement. All personnel engaged in the work shall be qualified to perform such Scope of Work.

Section 9. Permits and Licenses. CONSULTANT shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of services under this Agreement, including a business license.

Section 10. Interests of CONSULTANT. CONSULTANT affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the Scope of Work contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONSULTANT.

Section 11. Insurance.

(a) CONSULTANT shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of Comprehensive General Liability Insurance, with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONSULTANT.

(2) A policy or policies of Comprehensive Vehicle Liability Insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by CONSULTANT in performing the Scope of Work required by this Agreement.

(3) Workers' compensation insurance as required by the State of California.

(4) A policy or policies of Professional Liability Insurance (errors and omissions) with minimum limits of One Million Dollars (\$1,000,000) per claim and in the aggregate. Any deductibles or self-insured retentions attached to such policy or policies must be declared to and be approved by CITY. Further, CONSULTANT agrees to maintain in full force and effect such insurance for one year after performance of work under this Agreement is completed.

(b) CONSULTANT shall require each of its sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement.

(c) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(d) CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, CITY may take out the necessary insurance and pay, at CONSULTANT's expense, the premium thereon.

(e) At all times during the term of this Agreement, CONSULTANT shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit C, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. CONSULTANT shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general liability insurance shall contain an endorsement naming the CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(f) The insurance provided by CONSULTANT shall be primary to any coverage available to CITY. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(g) Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

Section 12. Indemnification. CONSULTANT agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of CITY, from any claim, liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or

omissions of CONSULTANT or any person employed by CONSULTANT in the performance of this Agreement.

Section 13. Termination.

(a) CITY shall have the right to terminate this Agreement for any reason or for no reason upon five calendar days' written notice to CONSULTANT. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by CONSULTANT, CONSULTANT shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall CONSULTANT be entitled to receive more than the amount that would be paid to CONSULTANT for the full performance of the services required by this Agreement. CONSULTANT shall have no other claim against CITY by reason of such termination, including any claim for compensation.

Section 14. CITY's Responsibility. CITY shall provide CONSULTANT with all pertinent data, documents, and other requested information as is available for the proper performance of CONSULTANT's Scope of Work.

Section 15. Information and Documents. All data, information, documents and drawings prepared for CITY and required to be furnished to CITY in connection with this Agreement shall become the property of CITY, and CITY may use all or any portion of the work submitted by CONSULTANT and compensated by CITY pursuant to this Agreement as CITY deems appropriate.

Section 16. Changes in the Scope of Work. The CITY shall have the right to order, in writing, changes in the scope of work or the services to be performed. Any changes in the scope of work requested by CONSULTANT must be made in writing and approved by both parties.

Section 17. Notice. Any notices, bills, invoices, etc. required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during the receiving party's regular business hours or by facsimile before or during the receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid to the addresses set forth above, or to such other addresses as the parties may, from time to time, designate in writing pursuant to this section.

Section 18. Attorney's Fees. In the event that either party commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

Section 19. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONSULTANT, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONSULTANT.

Section 20. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 21. CITY Not Obligated to Third Parties. CITY shall not be obligated or liable under this Agreement to any party other than CONSULTANT.

Section 22. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

EXECUTED the ____ day of _____ 2011, at Beverly Hills, California.

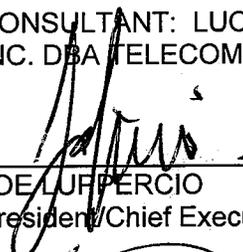
CITY OF BEVERLY HILLS
A Municipal Corporation

BARRY BRUCKER:
Mayor of the City of
Beverly Hills, California

ATTEST:

BYRON POPE
City Clerk

CONSULTANT: LUCA ENTERPRISES,
INC. DBA TELECOM DESIGN, INC.



JOE LURPERCIO
President/Chief Executive Officer



HEIDI JAUREGUI
Chief Financial Officer

APPROVED AS TO FORM:


LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY KOLIN
City Manager



DAVID SCHIRMER
Chief Information Officer



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF WORK

CONSULTANT shall provide CITY with information technology consulting services in connection with CITY's current telecommunications equipment, including hardware, software and systems that are associated with CITY initiatives in connection with inter/intra government agency data network services through carrier-based products. Services that may be performed by CONSULTANT include the following:

Analyze and review existing and planned circuits and services looking for cost savings opportunities.

- Provide assistance in establishing new voice, video and/or data services through carrier-based products and services.
- Provide consulting services related to the means, methods and legal liabilities of utilizing established CITY fiber optic and copper infrastructure beyond CITY -owned and occupied properties.
- Act as CONSULTANT and liaison between CITY and Tier I data providers.
- Provide frequent updates as it relates to matters of change in and related to telecommunications, communications infrastructure, FCC laws and rulings and PUC matters.
- Conduct and attend meetings on behalf of CITY providing insight into issues related to the telecommunications industry and data communications between CITY and other entities.
- Act as trusted advisor to key CITY Information Technology personnel on matters pertaining to telecommunications and outside organizations.

(collectively "Services").

The above Services shall be provided to the CITY on an as-needed basis as directed by the CITY in the manner set forth herein.

For each requested engagement, CONSULTANT shall provide CITY with a written proposal which shall include (at a minimum) a detailed scope of work, deliverables and payment milestones ("Proposal"). The City shall review and approve in writing such Proposal prior to the commencement of work. Upon approval, such Proposal shall be incorporated herein as if set forth in full and the services provided thereunder such Proposal shall be subject to the terms and conditions of this Agreement. The City shall issue a written authorization to proceed for each accepted Proposal.

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

For the term of this Agreement, CONSULTANT shall be paid for the services provided herein at the blended hourly rate of \$250.00. In no event shall the total compensation exceed \$60,000.

CONSULTANT shall submit a detailed and itemized invoice(s) for the services rendered, which invoice shall include for each fee entry the following information: (i) the date each task is performed; (ii) the identifier of the timekeeper that performed each task (i.e. initials or timekeeper number); (iii) the hours or portion thereof, billed for the task that reflects the actual time spent on each activity; (iv) a clear description of the activity performed (each task must be billed as a separate entry and time should not be embedded); and (v) total fees billed for each entry. Unless provided for in the Proposal, this Agreement provides for no reimbursement of expenses.