



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: General Services
Department No.: 063
For Agenda Of: December 5, 2006
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s) Bob Nisbet ext1011
Contact Info: Daniel Milei ext 2671

SUBJECT: Increase Spending Limit on Existing NEC Contract

County Counsel Concurrence:

As to form: Yes No N/A

Auditor-Controller Concurrence:

As to form: Yes No N/A

Other Concurrence: N/A

As to form: Yes No N/A

Recommended Action(s):

Authorize an increase in the spending limit for the existing Telephone System Maintenance and Support contract with NEC BNS Inc ("NEC") (a local vendor) in the amount of \$1,900,000 for a total 5 year estimated amount of \$3,700,000.

Summary:

When the NEC contract was brought to the Board in 2004 for approval, the recommendation included only the base amount of \$1.8 million dollars, rather than including a full estimated spending amount for all items included in the contract.

When a telephone is moved, added, or changed or a T-1 is extended within a department, the installation costs are outsourced to NEC under the existing contract. In addition, the County purchases materials for such installations from NEC. Also, the costs for new station installations, removals, rearrangements, augmentations to the switching facility, system conversions, and PBX installations or relocations are included as additional fixed-fee costs under the terms of the contract.

Since the contract began on April 1, 2004, the County has expended approximately \$870,000 for costs above the base contract amount. It is estimated that these additional costs will total approximately \$1,900,000 million over the 5 year period.

Background:

On March 16, 2004, the Board approved BC-04-167, a 5 year telephone system maintenance and support contract with NEC. This contract included as-needed non-maintenance support for departments' telephone move, add, and change activities, at a fixed cost for each requested installation.

Increase **Spending Limit on Existing NEC Contract**

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Performance Measures:

Fiscal and Facilities Impacts:

Budgeted: Yes No

Narrative: The telephone move, add, and change activities are included in the requesting departments' annual budgets.

Staffing Impact(s): None

Legal Positions:

0

FTEs:

0

Special Instructions:

Send minute order to:

Carl Thornton
General Services Communications Services

Attachments:

Copy of referenced executed BC 04-167
Copy of March 16, 2004 minute order authorizing BC 04-167

Authored by: Luci Rogers ext 2628

CC:

Nicole Koon, CEO Analyst