

RESOLUTION 2004- 69

AUTHORIZING AN INCREASE TO CONTRACT 2002-111 LIGHTYEAR COMMUNICATIONS, INC. TO PROVIDE ADDITIONAL LONG DISTANCE SERVICES AT A PRICE OF \$10,720.00 FOR A TOTAL CONTRACT PRICE NOT TO EXCEED \$32,773.00 (GENERAL FUND, INFORMATION SYSTEMS DEPARTMENT BUDGET).

WHEREAS, the Authority has a need for long distance service; and

WHEREAS, after negotiations, a small purchase contract was entered into with Lightyear Communications, Inc. located at 1901 Eastpoint Parkway, Louisville, KY 40223 for this purpose at a price not to exceed \$22,053.00; and

WHEREAS, the Authority has now identified the need to increase this contract to include Federal PICC recovery charges; and

WHEREAS, the General Manager/Secretary-Treasurer/Secretary-Treasurer has deemed it to be in the best interest of the Authority to continue these services through Lightyear Communications, Inc.; and

WHEREAS, it is necessary to amend the current contract and increase the price for this purpose; and

WHEREAS, said increase will exceed the General Manager/Secretary-Treasurer's small purchase authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the offer of Lightyear Communications, Inc. to continue to provide long distance services, as negotiated, be and the same is hereby accepted.


Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to amend Contract 2002-111 with Lightyear Communications, Inc. to provide additional long distance services.

Section 3. That said amendment shall be payable out of the General Fund, Information Systems Department budget, in the amount of ten thousand, seven hundred twenty & 00/100 dollars (\$10,720.00), for a total contract price not to exceed thirty-two thousand, seven hundred, seventy-three & 00/100 dollars (\$32,773.00).

Section 4. That all other terms and conditions of said contract shall remain unchanged.

Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: May 18, 2004



President

Attest: 

CEO, General Manager/Secretary-Treasurer



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TITLE/DESCRIPTION: AUTHORIZING AN INCREASE TO CONTRACT 2002-111 WITH LIGHTYEAR COMMUNICATIONS, INC. TO PROVIDE ADDITIONAL LONG DISTANCE SERVICES AT A PRICE OF \$10,720.00 FOR A TOTAL CONTRACT PRICE NOT TO EXCEED \$32,773.00 (GENERAL FUND, INFORMATION SYSTEMS DEPARTMENT BUDGET).	Resolution No.: 2004-69
	Date: May 13, 2004
	Initiator: Information Systems Department
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

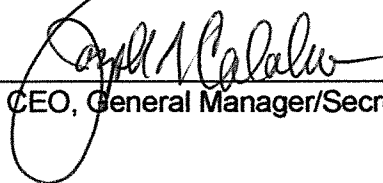
- 1.0 **PURPOSE/SCOPE:** This action will allow the Authority to enter into a change order with Lightyear Communications, Inc. to continue to provide long distance services.
- 2.0 **DESCRIPTION/JUSTIFICATION:** Long Distance service is critical to the efficient and effective operation of the Authority. The Authority initially awarded a small purchase contract based upon a negotiated procurement in an amount not to exceed \$22,053.00 for a two-year period. When estimating the charges, the Federal PICC recovery charges were not included. When applied to the current contract, the costs will exceed the original contract price.
- 3.0 **PROCUREMENT BACKGROUND:** In December 2003, the Authority entered into a small purchase contract with Lightyear Communications, Inc. to provide long distance service at a negotiated price not to exceed \$22,053.00 for a two-year period. Due to the inclusion of Federal PICC recovery charges, an additional \$10,720.00 will be required. Since this amount exceeds the small purchase limit, Board authorization is required. Even with this increase, the current contract cost is \$3,000.00 less than what was spent on long distance service in 2002.

 A cost/price analysis has been performed and the Procurement Department has determined the pricing to be fair and reasonable.
- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. The Office of Business Development does not establish goals on small purchases or any procurement that was initially less than \$25,000.
- 5.0 **POLICY IMPACT:** Does not apply.
- 6.0 **ECONOMIC IMPACT:** This change order is funded through the General Fund, Information Systems Department budget in the amount of ten thousand, seven hundred twenty & 00/100 dollars (\$10,720.00) for a total contract price not to exceed thirty-two thousand, seven hundred, seventy-three & 00/100 dollars (\$32,773.00).
- 7.0 **ALTERNATIVES:** Reject this change order. Rejection of this change order will leave the Authority without the ability to make long distance phone calls.
- 8.0 **RECOMMENDATION:** It is recommended that the change order be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to modify the contract.

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9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO, General Manager/Secretary-Treasurer