

RESOLUTION NO. 2008-71

AUTHORIZING CONTRACT NO. 2008-123 WITH AT&T TO PROVIDE TELECOMMUNICATIONS SERVICES TO THE AUTHORITY FOR A PERIOD OF THREE YEARS IN AN AMOUNT NOT TO EXCEED \$1,700,000.00 (GENERAL FUND, INFORMATION SYSTEMS DEPARTMENT BUDGET)

WHEREAS, the Authority currently utilizes AT&T for telecommunications services; and

WHEREAS, with the current PBX and telephone network equipment upgrade the Authority has completed, and with expanded telecommunications services provided by AT&T and in order to take advantage of the additional functionality provided by the new equipment; and

WHEREAS, the Ohio Revised Code, Section 306.43H(8) provides that competitive bidding is not required when the purchase consists of a product or services of a public utility; and

WHEREAS, the offer of AT&T located at 208 Portage Trail, Cuyahoga Falls, OH 44221, to provide Authority-wide telecommunication services for a period of three (3) years was received on April 17, 2008; and

WHEREAS, after negotiations, a total price not to exceed \$1,700,000 for all of the Authority's telecommunication requirements was agreed upon; and

WHEREAS, the General Manager/Secretary-Treasurer deems the negotiated offer of AT&T to be in the best interest of the Authority and recommends acceptance thereof by the Board of Trustees.

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 AT&T, as negotiated, to provide telecommunications services to the Authority for a period of three (3) years 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 enter into a sole source contract with AT&T to provide telecommunications services to the Authority for a period of three (3) years.


Section 3. That said contract shall be payable out of the General Fund, Information Systems Department budget in an amount not to exceed one million seven hundred thousand & 00/100 dollars (\$1,700,000.00) for a period of three (3) years.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon appropriation of funds for future years; compliance by the contractor to the Specifications and Addenda thereto, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2008-061; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.


Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects AT&T to attempt to exceed the 0% minimum DBE goal assigned to this procurement.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: May 20, 2008



President

Attest: 

CEO/General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

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| Title/Description: AUTHORIZING CONTRACT NO. 2008-123 WITH AT&T TO PROVIDE TELECOMMUNICATIONS SERVICES TO THE AUTHORITY FOR A PERIOD OF THREE YEARS IN AN AMOUNT NOT TO EXCEED \$1,700,000.00 (GENERAL FUND, INFORMATION SYSTEMS DEPARTMENT BUDGET) | Resolution No.: 2008-71 |
| | Date: May 15, 2008 |
| | 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 sole source contract for telecommunications services with AT&T.

- 2.0 **DESCRIPTION/JUSTIFICATION:** The purpose of this contract is to allow the Authority to continue to combine regulated and non-regulated service into one contract allowing optimum use of current technology and will provide for eligibility for volume discounts. Since the start of the current agreement in 2005, the Authority's communication needs have increased significantly. The number of Authority locations requiring connectivity, as well as the service being delivered to those locations has increased beyond our current capability to adequately support. Newly available technology offerings from AT&T will allow us to meet these communications needs. Current service from AT&T includes approximately 80 leased communication lines (both voice and data), as well as local and long-distance telephone service, and Internet access. As part of this new contract, AT&T would install new fiber-based "Opti-man" services at the Main Office and 4 remote sites, resulting in 6.5 times the current bandwidth at each of those sites. This service will also triple the Internet connection bandwidth.

- 3.0 **PROCUREMENT BACKGROUND:** This sole source contract is exempt from competitive bidding as authorized under Section 306.43H(8) of the Ohio Revised Code which allows for non-competitive procurements when procuring the products services of a public utility.

 The Procurement Department requested a proposal from AT&T. The Information Systems Department reviewed the proposal for adherence to technical scope. The Procurement Department determined the price, after negotiations, to be fair and reasonable to the Authority.

- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to lack of subcontracting opportunities.

- 5.0 **POLICY IMPACT:** Does not apply.

- 6.0 **ECONOMIC IMPACT:** This contract will be funded by the General Fund, Information Systems Department budget in an amount not to exceed one million seven hundred thousand & 00/100 dollars (\$1,700,000.00) for a period of three (3) years.

- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would prevent the Authority from maximizing the functionality and cost savings offered by the telecommunications switches, as well as, requiring significant infrastructure investment.
- 8.0 RECOMMENDATION: It is recommended that the offer of AT&T be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.
- 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