



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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Legislative File No: 2005-0778

TO: Mayor and City Council Members
FROM: Vince Foisy
DATE: November 14, 2005
SUBJECT: Telecommunications Utility Contract

REQUEST:

City Council is requested to authorize a blanket purchase order to SBC Global Services, Inc., Lansing, Michigan for PRI Circuits, Local, POTS, Centrex and circuits in the amount not-to-exceed \$150,000 through December 31, 2008.

REASON FOR PURCHASE:

Extensive review of available cooperative contracts for telecommunications services was performed with additional contacts with the major service providers. Telecommunications services including PRI Circuit, Local, POTS, Centrex and circuits, bundled through the State of Michigan Mi-Deal Program (State Extended Contract) with SBC Global Services, Inc. is the overall most cost effective and best value for the City.

This action will require the conversion from AT&T for the City's current PRI lines. Under the State Contract, converting the PRI lines to SBC Global and bundling the telecommunication services provides a lower call rate. The POTS line charges, Centrex line charges and circuit rates are currently with SBC Global, with the State Contract providing more competitive rates.

As the provider for critical circuits and lines servicing the City, SBC Global is the current supplier for point-to-point T-1 circuits and radio circuits connecting the remote sites via a high speed/grade connection used for both voice and data. The circuits are provided by the network provider (SBC) for the City. The City has several lines and circuits that support the Communication Center and its back-up center that are vital for day-to-day operations. SBC has a Resolution Center in Chicago that handles Communication Center requests and monitors the 9-1-1 circuits at all times.

The Centrex services are used to support connections to voice mail and calling functions for several of the remote sites, offering many system features for these sites. POTS (plain old telephone service) lines continue to be utilized at remote fire stations, back-ups for City Hall, Public Safety and DPS Garage, Grant Lift Station, Precinct Building #5, support for PBX, Cemetery, Museum, remote park sites, etc.

PROCESS:

Vendor Name and Address:

SBC Global Services, Inc.
221 North Washington, Room 227
Lansing, MI 48933

Reason for Selection:

Mi-Deal (State of Michigan Extended Contract)
Best Overall Value
Existing contractor with history working for the City

Method of Purchase:

Contract/Blanket Purchase Order

BUDGET:

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Facilities	631.922.000	Telephone Expense	\$122,000.00	\$50,000.00	\$72,000.00*
*Qwest, SBC 911, and other expenses draw from this amount					

RECOMMENDATION:

It is recommended that City Council authorize a blanket purchase order to SBC Global Services, Inc., Lansing, Michigan for PRI Circuits, Local, POTS, Centrex and circuits in the amount not-to-exceed \$150,000 through December 31, 2008.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		