



City of San Antonio

Agenda Memorandum

File Number: 17-3539

Agenda Item Number: 6.

Agenda Date: 6/15/2017

In Control: City Council A Session

DEPARTMENT: Information Technology Services

DEPARTMENT HEAD: Kevin Goodwin, Interim Director

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Communications Services and Devices

SUMMARY:

This ordinance authorizes an extension to the existing contract with AT&T to provide the Information Technology Services Department with the purchase of various communication services and devices for an estimated cost of up to \$5,000,000 annually.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is the offer submitted by AT&T to provide the Information Technology Services Department (ITSD) with a contract extension for the purchase of communication services and devices for an estimated annual cost of up to \$5,000,000.

The City is currently in the last year of an 8-year contract with AT&T for technology based communication services. These communication services are provided to approximately 12,000 City employees at over 500 sites. The contracted communication services and devices include:

- Wired Telephone
- Mobile Cellular Telephone
- Mobile Cellular Telephone with Push to Talk
- Metropolitan Ethernet Connectivity

- Wired Broadband
- Wireless Broadband
- Internet Connection
- Long Distance, Directory Assistance, 311
- Paging
- Telephone Devices Maintenance
- Communication Equipment/Mobile Devices

The contract has allowed the city to buy these services and devices at significantly reduced cost, using consolidated billing, and volume discounts.

ISSUE:

In 2008, the city released a Request for Competitive Sealed Proposal (RFCSP) for the provision of various communication services and devices with the goal of reducing costs, improving efficiencies and expanding the scope of services offered. The RFCSP was awarded to AT&T in 2009 based on several factors. The ITSD is requesting a contract extension for the following reasons:

- Texas Department of Information Resources (DIR) contracts for Verizon, Sprint, and AT&T were recently renewed and the ITSD will be moving Mobility devices and services to the DIR contracts to leverage the lower costs and feature capabilities offered through the new DIR contracts for mobility and wireless broadband services and devices.
- To release a new Request for Competitive Sealed Proposal (RFCSP) for the provision of communication services and devices
 - Wired Telephone
 - Metropolitan Ethernet Connectivity
 - Wired Broadband
 - Internet Connection
 - Long Distance, Directory Assistance, 311

It is the expectation of the ITSD that using a combination of DIR and the release of an RFCSP will fulfill the city’s communication services and devices needs. Using an RFCSP for the majority of the City’s communication services and devices needs has already been proven to reduce costs and improve service delivery. Respondents to the RFCSP will be given the opportunity to propose on one, more than one or all of the categories of communication services and devices requested to further encourage competition among the various providers.

The release of the RFCSP was briefed at the Audit/High Profile Contracts Council Committee. Based on the feedback regarding the use of local, small and minority/ women owned businesses; the City began meeting with multiple telecommunication services providers to determine the feasibility of adding a subcontracting requirement to future contracts.

Based on our meetings with the providers we are finalizing our recommendations on how to the use of local, small and minority/women owned businesses in this area. Those recommendations will be presented to the Audit/High Profile Contracts Council Committee in the future.

ALTERNATIVES:

The City can migrate all communication services and devices to DIR and to contract individually for communication services and not realize the previous benefits from a consolidated agreement.

FISCAL IMPACT:

The estimated annual cost for this contract is \$5,000,000. No funds are encumbered by this ordinance which provides for the procurement of specified communication services and devices as required, based upon the Department's available budget.

RECOMMENDATION:

Staff recommends approval of an extension to the existing contract with AT&T to provide the Information Technology Services Department with the purchase of various communication services and devices in an amount not to exceed \$5,000,000 annually.