Agenda Item #: 3U-2

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

| Meeting Date: September 11, 2012 | [x] Consent [] Public Hearing | [] Regular [] Workshop |
|--|--------------------------------|-----------------------------|
| Department: | | • |
| Submitted by: Information Systems Submitted for: Information Systems | | |
| I.] | EXECUTIVE BRIEF | |
| Motion and Title: Staff recommends | motion to approve: A | second extension, for a per |

Motion and Title: Staff recommends motion to approve: A second extension, for a period of sixty (60) days, to the existing AT&T "Volume & Term Agreement" (R2009-1055). The first extension was approved by the Board on June 26, 2012 (R2012-0933). This will allow the County to continue receiving the current discounts (21%) and tariff rates as staff finalizes the terms and conditions of a new AT&T Agreement.

Summary: To obtain the best possible pricing, ISS has contracted with an outside firm to assist in negotiating a new Agreement with AT&T. Extensive evaluation is required to assess recent telecommunications offerings and to also plan for new technologies, such as the voice over IP (VoIP) telephone system. These efforts will extend the timeframe for negotiating the new agreement beyond the current contract end date of September 30, 2012. Countywide (PFK)

Background and Justification: The County currently spends approximately \$10 million annually on the AT&T master services agreement. ISS has contracted with the Baller & Herbst law firm of Washington, DC to assist in identifying target 'best rates' for the myriad of telecommunication services required by ISS, Board departments and the constitutional officers. Baller & Herbst was selected based on their specific experience in assisting other state and local governments in telecommunications contracts and projects. The negotiations with AT&T have proved to be extensive and time-consuming, but are ultimately expected to result in substantial reductions in the County's telecommunications costs. This extension will allow the County to continue to receive the existing contractual rates and discounts until negotiations are completed.

Attachments:

1. Sixty (60) day extension to the AT&T Volume and Term Agreement (3 originals)

| Recommended by: | Steve / Sordelon | Aug. 15, 2012 |
|-----------------|----------------------|---------------|
| • | Department Director | Date |
| Approved by: | County Administrator | PAY |

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact

| Fiscal Years | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|---|---------------------------------------|---------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Capital Expenditures Operating Costs | \$:880,000 | 0 | 0 0 | 0 0 | 0 |
| External Revenues Program Inc (County) In-Kind Match (County) | $\frac{\underline{0}}{\underline{0}}$ | $\frac{0}{0}$ | $\frac{\underline{0}}{\underline{0}}$ | $\frac{\underline{0}}{\underline{0}}$ | $\frac{\underline{0}}{\underline{0}}$ |
| NET FISCAL IMPACT | \$ 880,000 | <u>0</u> | <u>o</u> | <u>0</u> | <u>o</u> |
| # Additional FTE Positions (Cumulative) | <u>0</u> | <u>o</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Is Item Included in Roposed Budget | Yes X | No | | | |

Budget Account Number: Various

Budget account numbers for the AT&T services procured under this Agreement are many and varied. These service costs are invoiced to all County agencies through an automated billing program.

B. Recommended Sources of Funds / Summary of Fiscal Impact

| C. Department Fiscal Review: | Top Klock | 8/14/12 |
|------------------------------|-----------|---------|
| | , | |

| 7 | |
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| | |
| III. <u>REVIEW CO</u> | <u>MMENTS</u> |
| A. OFMB Fiscal and/or Contract Dev. & Contro | Backéria Wheeler 8-21-12 \$\int_{00}\$: Contract Administration |
| B. Legal Sufficiency: Paul F = 8/22/12 | This amendment complies with our review requirements. |
| Assistant/County Attorney | |
| C: Other Department Review: | |
| Department Director | |

THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.

20120813-8833

AT&T MA Reference No. FL09-3606-UA133405UA Regulated V&T Pricing Schedule FL09-3606-10 Amendment

AMENDMENT TO VOLUME & TERM AGREEMENT

This Amendment No. 2 is to the Volume & Term Agreement FL09-3606-10 (Palm Beach County Reference R-2009-1055), entered into between AT&T Florida ("AT&T") and Palm Beach County ("Customer") on June 16, 2009.

- A. Customer and AT&T agree to extend the Term of the Volume & Term Agreement for **two** (2) additional months.
- B. The Baseline, Annual Revenue Commitment, Reward Level and Reward Eligible Services for Contract Year Four are listed in Revised Appendix 1 to the Volume & Term Agreement, which is attached.
- C. The Effective Date of this Amendment shall be October 1, 2012.
- D. The "Expiration Date" of the Volume & Term Agreement shall be November 30, 2012 at 11:59 p.m.
- E. This offer shall be valid until **September 28, 2012**.

Except for the foregoing, the remaining terms and conditions of the Volume & Term Agreement and previous Amendment remain in full force and effect between AT&T and Customer.

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AT&T MA Reference No. FL09-3606-UA133405UA Regulated V&T Pricing Schedule FL09-3606-10 Amendment

| ATTEST: | |
|--|--|
| Sharon R. Bock, Clerk & Comptroller | Palm Beach County, By Its Board of County Commissioners |
| By: Deputy Clerk | By:Shelley Vana, Chair |
| (SEAL) | |
| APPROVED AS TO FORM AND LEGAL SUFFICIENCY | APPROVED AS TO TERMS AND CONDITIONS |
| By: Paul F County Attorney | By: Steve Bordelon, Director, ISS |
| AT&T Florida | |
| By: Indy Worth | CINDY M. PORTH Contract Manager (type name and title) |
| | (Spontane man state) |
| Duch & Dell | LINDA J. DAIN CONTRACT MANAGEN |
| Witness | (type name and title) |

AT&T MA Reference No. FL09-3606-UA133405UA Regulated V&T Pricing Schedule FL09-3606-10 Amendment

Appendix 1

Customer: Palm Beach County
 Term: 2 months (41 months total)

Volume and Term Provisions

| A. Annual Revenue Commitment: (90% of Baseline) B. Baseline C. Reward Level A 21.0% D. Growth Percentage E. Annual Growth Incentive Award F. Reward Eligible Services | \$6,788,040.00 multiplied by 2. \$7,542,267.00 multiplied by 2. Not Applicable Not Applicable | | |
|--|--|--|--|
| A | Alarm & Control Ckt | | |
| A | | | |
| A | Dir. White Page Svcs | | |
| A | Bus Plus/Bus Choice Business ISDN | | |
| A | Touchstar | | |
| A | Tie Lines | | |
| A | | | |
| A | Megalink | | |
| A | Analog Data Service | | |
| A | SMARTRing IAS SPA Ded Ring | | |
| A | Messaging CNS Features | | |
| A | Voice GD Non-Data Non List/Non Published Svcs | | |
| A | | | |
| A | Enhanced Callerid (ST-UP) Metro Ethernet | | |
| A | DID | | |
| A | Flat Rate PBX Trunks/NARS | | |
| A | NARS-Megalink Channel Service | | |
| A | Custom Calling | | |
| A | BellSouth Centrex | | |
| A | BellSouth Channelized Trunks | | |
| A | Prestige Prestige | | |
| A | Off Prem EXT (OPX) | | |
| A | FCO & FX Services | | |
| A | Remote Call Fwd | | |
| A | Flat Rate Business | | |
| A | SMARTPath | | |
| A | Frame Relay | | |
| Ā | Megalink Channel | | |
| A | Synchronet | | |
| A | FlexServ . | | |

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