



**CITY OF PLANO  
COUNCIL AGENDA ITEM**

<b>CITY SECRETARY'S USE ONLY</b>	
<input type="checkbox"/> Consent	<input type="checkbox"/> Regular <input type="checkbox"/> Statutory
Council Meeting Date:	11/12/2012
Department:	Technology Services
Department Head	David Stephens
Agenda Coordinator (include phone #): <b>Dianna Wike x7549</b>	

**CAPTION**

To approve Amendment 4 to the Verizon Business Services Agreement with Verizon Business Network Services, Inc. on behalf of MCI Communications Services, Inc. to terminate existing Dedicated Internet Access Services and accept the vendor's agreement to waive all early termination fees; and to approve the purchase of Dedicated Internet Access Services with Verizon Business Network Services on behalf of MCI Communications Services, Inc. for a period of 18 months in the amount of \$185,280 through an existing Department of Information Resources contract and authorizing the City Manager to execute all necessary documents. (DIR-NG-CTSA-010).

**FINANCIAL SUMMARY**

NOT APPLICABLE       OPERATING EXPENSE       REVENUE       CIP

FISCAL YEAR:	2012-13, 2013-14	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget		0	1,783,900	61,760	<b>1,845,660</b>
Encumbered/Expended Amount		0	-57,700	0	<b>-57,700</b>
This Item		0	-123,520	-61,760	<b>-185,280</b>
BALANCE		0	1,602,680	0	<b>1,602,680</b>

**FUND(S):    TECHNOLOGY SERVICES FUND**

**COMMENTS:** Annual expenditures for the City's internet access and voice line connections are included in the annual operating budget for the Telecommunications Department. This item covers an 18-month period which overlaps fiscal years. The estimated annual amount for fiscal year 2012-13 is \$123,520 and the amount for a six-month period of 2013-14 is \$61,760, which will be made within approved budget appropriations. The remaining 2012-13 budget amount will be used for other operating expenditures related to communication and data services.

**STRATEGIC PLAN GOAL:** Contracts for Internet access relate to the City's Goal of Financially Strong City with Service Excellence.

**SUMMARY OF ITEM**

Technology Services is requesting Council approval of Amendment 4 to the Verizon business Services Agreement for Dedicated Internet Access Services with Verizon Business Network Services, Inc. on behalf of MCI Communications Services, Inc. This Amendment will terminate the agreement and waive the early termination fee. Technology Services is also requesting that Council approve the purchase of Dedicated Internet Access Services for a period of 18 months in the amount of \$185,280 from Verizon Business Network Services on behalf of MCI Communications, Services, Inc. through an existing Department of Information



## CITY OF PLANO COUNCIL AGENDA ITEM

Resources contract. The City is authorized to purchase from the State Contract list pursuant to Section 271 Subchapter D of the Local Government Code and by doing so satisfies any State Law requiring local governments to seek competitive bids for items. (DIR-NG-CTSA-010)

List of Supporting Documents:  
Amendment 4, Memorandum

Other Departments, Boards, Commissions or Agencies

# Memo

Date: 10/19/2012

To: Diane Palmer-Boeck, Chief Purchasing Officer

From: David Stephens, Director Technology Services

RE: Approving Amendment 4 to Verizon Business Services Agreement for Dedicated Internet Access Services and approving the purchase of Dedicated Internet Access Services through an existing contract DIR-NG-CTSA-010.

Technology Services is requesting that Amendment 4 to Verizon Business Services Agreement be approved for termination of Dedicated Internet Access Services and to waive the early termination fee with Verizon Business Network Services, Inc. on behalf of MCI Communications Services, Inc and that the purchase of Dedicated Internet Access Services for an 18 month period from Verizon Business Network Services, Inc. on behalf of MCI Communications Services, Inc. through an existing contract, DIR-NG-CTSA-010 be approved in the amount of \$185,280.

Dedicated Internet Access services are needed to allow the City of Plano to communicate with its citizens and provide services. The e-gov services offered via the Internet yield over \$17,000,000 in revenue collections yearly. Email and the City websites are increasingly important means for citizens to get information about city services.

Without these services citizens would not be able to access information about city services as quickly as they can today. There would also be a negative image of the City of Plano management.

This service agreement would provide the City with 2 dedicated internet circuits.

- (1) 100 mbps dedicated circuit with network access for \$126,826 for 18 months. (FY 12-13 \$84,552, FY 13-14 \$42,274)
- (1) 45 mbps dedicated circuit with network access for \$58,454 for 18 months. (FY12-13 \$38,970, FY 13-14 \$19,484)

Total contracted pricing for FY 12-13 is \$123,520 and FY 13-14 is \$61,760 for a total 18 month cost of \$185,280. This upgraded service will increase our capacity from our current 90 mbps to 145 mbps.

**AMENDMENT 4 TO  
Verizon Business Services Agreement**

This Amendment 4 to the Verizon Business Services Agreement, signed by Customer May 11, 2006, is entered into by City of Plano ("Customer") and Verizon Business Network Services Inc. on behalf of MCI Communications Services Inc. d/b/a/ Verizon Business Services ("Verizon") and shall be effective the first day of the second full billing cycle following execution and delivery of this Amendment by Customer to Verizon ("Amendment Effective Date"). The parties hereto agree to amend the Agreement, in the following particulars, and the exchange of good and valuable consideration for this Amendment is hereby acknowledged.

**1. Verizon Business Services Agreement, Contract ID 141087:**

The parties hereto mutually agree to terminate this Agreement as of the date and occurrence listed below in Termination of Prior Services; provided however, that the Customer must execute the attached Service Agreement without alteration simultaneously with the execution of this Amendment. The Service Agreement provides for replacement Internet Dedicated and Network Access services under the State of Texas, Department of Information Resources Contract DIR-NG CTSA-010, commonly known as the TEX-AN Contract.

**2. Verizon Business Service Agreement, Section 6, Underutilization and Early Termination Charges:**

These charges are hereby waived provided that the Customer executes the Service Agreement without alteration simultaneously with execution of this Amendment and continues the services for a minimum of eighteen months.

**3. Termination of Prior Services:**

The prior internet dedicated and network access services shown on the Agreement shall be terminated as of the date of the completion of installing, provisioning, and any testing needed of the new replacement services ordered under the Service Agreement. Customer shall be liable to notify Verizon in writing of the completion date, otherwise double billing may occur until such notice is received.

Except as herein expressly modified, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

AGREED AND ACCEPTED:

**City of Plano**

**Verizon Business Network Services, Inc.,  
on behalf of MCI Communications Services, Inc.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
City Attorney