



Request for City Council Committee Action From the Department of BIS

Date: December 7, 2006

To: The Honorable Paul Ostrow, Chair

Subject: Approval to amend Qwest Master Network Interstate Service Agreement pending approval of the PRC.

Prepared by Nancy Larkey, Contract Administrator, 673-5494

Submitted by: Karl Kaiser, _____ (612-673-3180)
Chief Information Officer

Approved by: Steven Bosacker, _____
City Coordinator

Presenters in Committee: Bill Beck, Deputy Chief Information Officer

Recommendation: Extend Qwest contract by 3 years and increase the contract amount by \$300,000.

Prior Directive

City Council approved at its November 4, 2005, meeting the CIO's request for authorization to amend the Qwest Master Network Interstate Service Agreement, including associated Site Agreements to:

- (1) Extend the agreement for 3 years with two one-year renewal options
- (2) Add next generation, high availability OC3 and PRS services.
- (3) Increase the contract value from \$1,092,878.40 to \$1,650,000

Financial Information: Qwest services are paid from BIS operating funds. Sufficient funds are appropriated.

Financial Impact (Check those that apply)

- No financial impact (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information

The Business Information Services department is requesting authorization to amend the current Master Network Interstate Service Agreement and associated Site Agreements between the City of Minneapolis and Qwest.

- (1) Extend the agreement from its expiration date of April 17, 2009, to December 31, 2012.
- (2) Increase the contract value from \$1,650,000 to \$1,950,000.

The agreement was originally executed in 2001 and amended in December 2005.

The City needs additional bandwidth at three sites:

- First Precinct to view video feeds from safety cameras.
- Hamilton school building (north field office for Housing Inspectors) to use the KIVA application.
- Fire Station 21 (south field office for Housing Inspectors) to use the KIVA application.

The cost of buying the services are as follows:

QMOE Services Costs

| | 5 Years | 3 Years | 2 Years |
|--------------------|-----------|-----------|-----------|
| Monthly Cost | \$720 | \$765 | \$815 |
| Number of Months | 60 | 36 | 24 |
| Number of Sites | 3 | 3 | 3 |
| Total Monthly Cost | \$129,600 | \$82,620 | \$58,680 |
| Construction Fees | - | 23,000 | 43,000 |
| Total Project Cost | \$126,900 | \$105,620 | \$101,680 |

BIS needs and wants to buy the services the least expensive way. The five-year plan guarantees the lowest monthly rate without paying the construction costs. This is the favored plan.

Additional QMOE services throughout 2007 are expected; therefore, we are requesting \$300,000 of which the above \$126,900 is included.

It is anticipated that USI Wireless will provide some services in 2007, though QMOE will not be ready. Further USI Wireless does not anticipate providing telephone T-1 services.