



Request for City Council Committee Action from the Department of BIS

Date July 6, 2007

To: The Honorable Paul Ostrow, Chair, Ways and Means Committee

Subject: Increase USI Wireless contract by \$596,658 for connectivity and private network services over three years

Recommendation Authorize proper city officials to amend the USI Wireless contract C-23781 by \$596,658 for network services, connectivity and related equipment between two facilities over three years.

Prepared by Nancy Larkey, Contract Administrator 673-5494

Submitted by Lynn Willenbring _____, 673-3180
Chief Information Officer

Approved by Steven Bosacker _____
City Coordinator

Presenter in Committee Lynn Willenbring

Policy Review Group Not Applicable

Permanent Review Committee (PRC) Approval – Not Applicable

Financial Impact: BIS is funding this project out of existing appropriations under 6400-880-8892

<p>Financial Impact (Check those that apply)</p> <p><input checked="" type="checkbox"/> No financial impact (If checked, go directly to Background/Supporting Information)</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Capital Budget</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Operating Budget</p> <p><input type="checkbox"/> Action provides increased revenue for appropriation increase</p> <p><input type="checkbox"/> Action requires use of contingency or reserves</p> <p><input type="checkbox"/> Other financial impact (Explain):</p>

Background/Supporting Information

The City of Minneapolis entered into a ten year, \$12.5 million broadband/wireless contract with USI Wireless, Inc. on 11/1/06. The contract value and technical provisions were based on the City's identified needs at that point in time. Changes in the City's business requirements and customer needs cause demand for increased capacity that expands the scope of this contract.

To meet anticipated connectivity needs, network equipment and connectivity as well as managed services of them is required. Network equipment (Cisco switches, transceivers, firewalls and controllers) is needed at the 511 building, control facility in Minnetonka, and Currie. These connections are private transmission lines solely for access by the City.

Implementation and set up costs are \$2,500 for the GeoMax connections with monthly maintenance of \$8,245 per month and circuit costs of \$1,825 per month. The total cost for GeoMax connectivity, maintenance and monitoring totals \$430,720.

Hardware will be leased over 36 months at \$2,788.54 per month. Support and maintenance of the network is \$4,505.21 per month. Associated software maintenance over 3 years totals \$3,750. The total for the network equipment, maintenance, support and monitoring totals \$165,937.56.

The combined total of the GeoMax connectivity and network is \$596,658 over three years. At the end of three years the system will be re-evaluated for efficiency, effectiveness and cost containment.