

## Request for City Council Committee Action from the Department of BIS

Date	October 13, 2009	
То:	The Honorable Paul Ostrow, Chair, Ways and Means Committee	
Subject:	Amend Qwest C	ontract C-16465
Recommendation:	Approve the CIO's request for authorization to amend Qwest Master Network Interstate Service Agreement (C-16465), including associated Site Agreements to: (1) Extend the Agreement for three (3) years with three (3) one- year renewal options, and (2) Increase the contract by \$1,900,000.	
Prepared by	Barbara K. Malins	ski, Contract Administrator, 673-3249
Submitted by	Lynn Willenbring	, 673-2927 Chief Information Officer
Approved by	Steven Bosacker	City Coordinator
Presenter in Commi	ttee	Lynn Willenbring
Policy Review Grou	р	X Not Applicable
Permanent Review Committee (PRC) Approval – Not Applicable		
Prior Related Direct	ives:	

- March 23, 2001 Council authorized execution of a Master Contract with Qwest Communications to provide voice and data communication services for a five-year period, commencing upon the latest signature date for said contract, in the amount of \$1,639,350.
- November 4, 2005 Council authorized to amend the Qwest Master Network Interstate Service Agreement, including associated Site Agreements to a) extend the agreement for three (3) years with an additional two (2) one-year renewal options; b)

add next generation, high availability OC3 and PRS services; and c) increase the contract value from \$1,092,878.40 to \$1,650.000. 00.

**Financial Impact:** No Financial Impact.

Financial Impact (Check those that apply)
_X_ 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 City of Minneapolis entered into a contract with Qwest in 2001 to provide services of the Qwest Master Network Interstate system. BIS is seeking to extend the term for an additional three (3) years plus three (3) one-year renewal options to take advantage of long-term discount pricing. An increase to the contract will also be necessary due to the term extension. This will allow the City to maintain continuity of established services as well as establish new service as necessary.

Extending the contract for another three-year period allows the City to take advantage of continuous service delivery, avoid significant cost increase, and retain our current vendor. It will result in an estimated \$36,000 discount over the life of the contract. BIS has explored alternatives to the services offered by Qwest, but has determined Qwest is the most cost effective.