



## Legislation Text

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File #: 23-0064, Version: 1

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### **CITY COUNCIL AGENDA ITEM**

#### **ACTION REQUESTED:**

Approve the award of Cooperative Procurement 23-047, Telecommunications and Internet Services, to AT&T Corporation for an amount not to exceed \$250,000 and for a two-year term

**DEPARTMENT:** Information Technology

**SUBMITTED BY:** Jacqueline Nguyen, Director

#### **BOARD/COMMISSION REVIEW:**

N/A

#### **BACKGROUND:**

The City of Naperville requires various telecommunications and Internet services such as traditional analog phone lines, advanced voice services and features such as Centrex, Voice over Internet Protocol (VoIP) services including Session Initiation Protocol (SIP) links, and Internet Services.

The City's current telecommunications contract (21-116) was awarded to AT&T Corporation by the City Council in March 2021 for a two-year term from April 1, 2021 through March 31, 2023.

The City has a master agreement with AT&T using terms from the State of Illinois cooperative 19-448DOIT-TELEC-P-4610 (formerly CMS131864A).

#### **DISCUSSION:**

The new contract with AT&T will include four addendums covering the following four service areas:

1. IP Flex - covers the SIP trunks that connect the City's VoIP desktop telephone system to the outside world. Note the City is adding an additional fiber Internet circuit for VoIP voice traffic. This will separate the voice traffic from the data traffic to the Internet to reduce risk, enhance resiliency, and provide operational efficiencies.
2. Centrex - covers phone lines with complex features and capabilities including 911 lines, lines to City Dispatch and Call Center, phone lines in Council Chambers, etc.
3. Complete Link - covers various circuit costs and phone lines with simple, analog services such as those to parking decks and similar locations.
4. AT&T Direct Internet - covers the City's primary Internet service over a 1 Gbps link.

Last year, the total cost of these services was typically between \$9,200 and \$9,600 per month. There

is some variance due to varying monthly usage from different phone call lengths in minutes and call destinations across tariff bands.

The new contract prices for telephony services, apart from Internet circuits and services, did not change materially and are not anticipated to change. Internet circuit pricing did go down, but an additional Internet circuit for voice traffic was added, which offset this. In total, no material change to monthly costs is expected.

The pricing is based on the State of Illinois Cooperative Contract 21-448DOIT-TELEC-P-27137, through AT&T Corporation, for the procurement of telecommunications and Internet services. The state contract expired on 12/09/22, and the state has since issued a 90-day emergency extension that is valid thru 3/09/23. The state and AT&T are currently in the process of negotiating a long-term contract and are anticipating either having the new contract in place or issuing another 90-day extension. The term of the new contract for the City will be from April 1, 2023 through March 31, 2025. The pricing will be held through March 31, 2025.

**FISCAL IMPACT:**

CIP#: N/A

Telecommunications and Internet services are expensed to the account numbers listed below. A total of \$199,664 has been budgeted for this service in 2023. Staff will budget the remaining portion of the contract during the 2024 budget process.

<b>Account Number</b>	<b>Fund Description</b>	<b>Total Budget Amount</b>
16101100-542412	General Fund	\$234,200
16101100-542415	General Fund	\$587,399