**DEPARTMENT OF PUBLIC UTILITIES** **Ordinance. No. 549-2024**

**Request for Legislation**

**An ordinance to authorize the Department of Public Utilities to enter into one or more contracts with AT&T to add new network telecommunication services. Legislation is to lead to a direct award contract for the term of three years. Funds for the first year will be covered from the general operating funds from CWD, CPP, WPC and Public Utilities (ORC) and annual appropriations will be made from free balance for years 2 and 3.**

## Background/Purpose:

DPU is in the process of upgrading its network and telecommunications system. DPU is requesting additional services as they are required to upgrade, consolidate, and standardize the phone system and network among all of the DPU Divisions. The AT&T contract currently in place does not allow for these new services. Over time, these new services will replace many of the existing services on the current AT&T contract and will lower the total cost of the services provided by AT&T. Other City Departments will be able to utilize the volume pricing offered to DPU.

## Scope of Work/Commodities/Services:

To enter into a contract with AT&T to pay monthly invoices for new network telecommunication services for:

**PROPOSED AT&T SERVICES**

- ADE
- IPFlex
- ADI
- ASE Classic Data Circuits
- ASEoD
- AVPN CCNB 2 Cloud and WWAN
- Netbond
- CPP SCADA AVPN Hubs
- CPP SCADA Mobile Data
- Custom APN Build CPP SCADA Mobile
- CPP SCADA Mobile Edge 13 Transmission Site
- CPP SCADA Mobile Edge Distribution Potential Future Sites
- Other services to be determined as needed

## Justification/Urgency:

AT&T provides telecommunication and data services to the DPU. These services are critical to the operations of DPU for network and communications for the dozens of locations throughout Northeast Ohio. Some components on the Network/Telecommunications upgrade require these services to be in place. Additionally, these services will replace some of the existing services already provided by AT&T reducing our overall cost for these types of services.

**Anticipated Costs and funding source:**

The cost for these services is variable based on DPU's ability to increase and decrease speeds, which is determined by business need. The estimated cost is up to $3,376,500.00 over the life of the 3-year contract. There is a one-time non-reoccurring (NFC) cost of $127,500.00, which is included in the cost per year for each division of DPU and part of the grand total per year.
Funds for the first year will be covered from the general operating funds from CWD, CPP, WPC and Public Utilities (ORC) and annual appropriations will be made annually from free balance for years 2 and 3.

| Year | CWD Fund 52 | CPP Fund 58 | WPC Fund 54 | ORC (Radio) Fund 50 | TOTALS |
|---|---|---|---|---|---|
| Year 1 | $671,460.00 | $264,930.00 | $75,810.00 | $108,300.00 | $1,120,500.00 |
| Year 2 | $671,460.00 | $272,430.00 | $75,810.00 | $108,300.00 | $1,128,000.00 |
| Year 3 | $671,460.00 | $272,430.00 | $75,810.00 | $108,300.00 | $1,128,000.00 |
| Total: | $2,014,380.00 | $809,790.00 | $227,430.00 | $324,900.00 | $3,376,500.00 |

**Schedule or Term of Contract:**

Legislation is to lead to a direct award contract for the term of three years.

**Current Contract(s):**

| Vendor Name | Vendor Address | Vendor Contact | Contract Info |
|---|---|---|---|
| AT&T (Formerly SBC Global Services) | PO Box 1838<br>Saginaw, MI 48605 | Scott Maurer<br>216-571-0423 | CT 2001 PS2017000000091<br>Contract Amount<br>$7,099,554.72 |

**CSB Participation on the Current Contracts:**
**Goals: 0%; Actual CSB Participation: 0%**

**If there is no CSB participation, explain why here:**
CSB participation goals were waived by OEO.

**Previous Contracts:**

| Vendor Name | Vendor Address | Vendor Contact | Contract Info |
|---|---|---|---|
| AT&T (Formerly SBC Global Services) | PO Box 1838<br>Saginaw, MI 48605 | Scott Maurer<br>216-571-0423 | AM67779A<br>2017<br>Contract Amount:<br>$10,166,634.88 |