

Meeting Date
December 15, 2015



AGENDA	
Section	Unfinished Business
Item No.	V E

AGENDA REPORT
BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

SUBJECT:	Re: Board Direction in Response to Proposed AT&T Contract
DEPT/OFFICE:	Information Technology

Requested Action:

It is requested that the Board of County Commissioners accept the contract addendum from AT&T. If the contract is acceptable to the Board, it is also requested that the Board authorize the Chairman to execute the contract upon receipt and final approval of the County Attorney's Office.

Summary Explanation & Background:

As the result of an extensive RFP process, the Board of County Commissioners approved Addendum FL11-0644-04 to extend telecommunications services and accept proposed rates from AT&T for three years with two optional one-year terms at the December 1, 2011 Board meeting. The service contract provided data and voice services for Brevard County. The contract expired on December 12, 2014 and the options were not exercised.

The intent of the Board's IT Department was to ask the Board to install a VOIP system in the County, and renewing the contracts with AT&T could have significantly delayed that action if AT&T was not the awarded vendor. In doing so, the IT Department recognized the risk that by being out of contract, AT&T could be required to increase rates for services to the County. In order to mitigate that risk, the IT Department sought and received approval from the Board for piggy-backing the School Board contract during the May 28, 2014 Board meeting. However, due to an award protest, a contract is still not in place.

The IT Department requested direction from the Board to implement Voice Over IP (VOIP) services at the May 26, 2015 Board meeting and was directed to advertise a Request For Proposal for these services. The proposals received in response to this RFP are currently being evaluated, and award for the services is expected to be completed in the first quarter of 2016.

(Continued next page)

Contact: Jon Sellers, ext. 5-7395 or jon.sellers@brevardcounty.us

Clerk to the Board instruction:

Exhibits Attached: Pricing Summary

Contract /Agreement (If attached): Reviewed by County Attorney Yes No PR

County Manager 	Assistant County Manager 	Department Director / Extension Jon Sellers, Director, Information Technology Department / x52958
Stockton Whitten	Frank Abbate	

On November 12, 2015, the IT Department Director received an email from AT&T indicating rate increases would commence effective January 1, 2016. The increases are attached and are substantial. AT&T representatives stated that the rate increases are mandatory due to FCC regulations. The I.T. Department placed an agenda item before the Board for the December 1, 2015 which was pulled when AT&T agreed to negotiate a short-term contract to maintain existing prices. This addendum to the existing contract has been negotiated and approved, however a final copy has not been received from AT&T as of Friday, December 11. It is expected to be received by the date of the Board meeting.

The contract essentially exercises the last year of the 2011 contract, which has been found to be acceptable to both the County Attorney's Office and AT&T's attorneys. However, instead of requiring a full, one-year term, it is implemented as a 3 month contract with 3 potential 3 month extensions. Each potential extension can be terminated with 7 days notice. Executing this contract will allow the County to continue with existing rates without disrupting the VOIP RFP. The multiple extensions could be exercised in order to have time to implement the system as well as maintain pricing in the event that a protest occurred.

Alternatively, the Board can request the IT Department and Central Services to seek competitive bids to replace the existing systems, however, this will likely require a minimum of 3 - 6 months and increase expenses by \$163,422.40 per month.

Fiscal Impact: \$0 if attached contract executed. \$163,422.40/month while seeking replacement vendor, unknown savings upon completion of that process.



Tammy Etheridge, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972

December 16, 2015

MEMORANDUM

TO: Jon Sellers, Information Technology Director

RE: Item V.E., Board Direction in Response to Proposed AT&T Contract

The Board of County Commissioners, in regular session on December 15, 2015, executed Addendum to Contract with AT&T to amend and change Pricing Schedule. Enclosed is an executed Addendum.

Upon execution by AT&T, please forward a fully-executed Addendum to this office for inclusion in the official minutes.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Etheridge

Tammy Etheridge, Deputy Clerk

Encl. (1)

cc: Contracts Administration
Finance
Budget



Addendum to AT&T ILEC Intrastate Pricing Schedule

FL15-2579-02
Case Number FL15-2579-02

AT&T MA Reference No. 110834UA
110834UA

<p>CUSTOMER ("Customer") Board of County Commissions, Brevard County FL Street Address: 2725 Judge Fran Jamieson Way City: Viera State: FL Zip Code: 32940- <u>Billing Address</u> Street Address: 2700 Judge Fran Jamieson Way City: Viera State: FL Zip Code: 32940-</p>	<p>AT&T ("AT&T") For purposes of this Pricing Schedule, AT&T means the Service Provider specifically identified herein.</p>
<p>CUSTOMER Contact (for Contract Notices) Name: Jon Sellers Title: CIO Telephone: 321-617-7393 Fax: 321-617-7394 Email: jon.sellers@brevardcounty.us Street Address: 2725 Judge Fran Jamieson Way City: Viera State: FL Zip Code: 32940-</p>	<p>AT&T Sales Contact Information and for Contract Notices Name: Tom Gill Title: Account Manager Telephone: 407-446-8170 Fax: - - Email: tg5181@att.com Attention: Assistant Vice President Street Address: 2180 Lake Blvd., 7th Floor City: Atlanta State: GA Zip Code: 30319 <u>With a copy to:</u> AT&T Corp. One AT&T Way, Bedminster, NJ 07921-0752 ATTN: Master Agreement Support Team Email: mast@att.com</p>

This Pricing Schedule Addendum ("Addendum") for the service(s) identified below ("Service") is part of the Agreement referenced above. Customer requests that its identity be kept confidential and not be publicly disclosed by AT&T or by any regulatory commission, unless required by law.

THE UNDERSIGNED PARTIES, AT&T Florida, ("Company") and Board of County Commissioners, Brevard County Florida ("Customer"), hereby agree, as acknowledged by their appropriate signatures as set out below, to amend and change Pricing Schedule FL05-1745-01. This Addendum is based upon the following terms and conditions as well as any Attachment(s) affixed and the apFL05-1745-01 appropriate lawfully filed and approved Guidebooks which are by this reference incorporated herein.

Offer Expiration: This offer shall expire on: 1/31/2016.

<p>Customer (by its authorized representative)</p>	<p>AT&T (by its authorized representative)</p>
<p>By: <i>Jim Barfield</i></p>	<p>By: <i>[Signature]</i></p>
<p>Printed or Typed Name: <i>Jim Barfield</i></p>	<p>Printed or Typed Name: Gabriela Ratulowski</p>
<p>Title: <i>Chairman, County Commission</i></p>	<p>Title: Manager</p>
<p>Date: <i>12-21-2015</i></p>	<p>Date: 23 Dec 2015</p>

Reviewed for legal form and content:

Shannon L. Wilcox, 12/17/15

TH870K



Addendum to AT&T ILEC Intrastate Pricing Schedule

Case Number FL15-2579-02
Option 1 of 1

Service description:

This Addendum to Pricing Schedule FL05-1745-01 provides for an extension of Pricing Schedule Term for MegaLink Plus service, MegaLink® service, BellSouth® Metro Ethernet service and Primary Rate ISDN – Voice/Data (Standard) service, LightGate service, SMARTRing OC-48+ service, and Business Lines as part of Basic Local Exchange Service.

This Addendum provides for the exercise of the second, and final, one year extension of the Addendum Agreement between the parties previously executed by the County on December 1, 2011 (as authorized by the Board of County Commissioners on January 1, 2011) and by AT&T on December 12, 2011 pursuant to Brevard County RFP 4-05-11; however, the extension will be implemented in four (4) 3 month service periods, the first extension beginning on December 13, 2015 and will automatically be extended for each of the additional three (3) month terms unless the County issues written notice to AT&T no less than seven (7) calendar days, from the beginning date of the next three (3) month service period, of the County's termination of this Agreement to be effective at the end of the then existing extension. The extensions shall not be effective beyond December 12, 2016.

All terms and conditions of Pricing Schedule FL05-1745-01 apply to this Addendum unless modified herein.



Addendum to AT&T ILEC Intrastate Pricing Schedule

Case Number FL15-2579-02
Option 1 of 1

RATES AND CHARGES

	<u>Rate Elements</u>	<u>Non-Recurring</u>	<u>Monthly Rate</u>	<u>USOC</u>
1	There are no changes to the existing rate elements.	\$.00	\$.00	



Addendum to AT&T ILEC Intrastate Pricing Schedule

Case Number FL15-2579-02
Option 1 of 1

RATES AND CHARGES

NOTES:

The following three paragraphs are added to Pricing Schedule FL05-1745-01:

EARLY TERMINATION – PRIMARY RATE ISDN SERVICE

If Customer migrates an AT&T ILEC PRI Service or Service Component, including DS1 used as transport for AT&T ILEC PRI Service (the "Terminated ILEC Service") to a qualifying AT&T Business Voice over IP (BVoIP) Service, then AT&T will waive the Early Termination Charge directly resulting from terminating the Terminated ILEC Service if:

- (1) the Terminated ILEC Service has been installed at the Customer site for no fewer than 12 months;
- (2) the term for the replacement agreement is equal to or greater than the remaining term for the Terminated ILEC Service;
- (3) the replacement AT&T BVoIP Service is installed or available at the same Customer sites as the Terminated ILEC Service; and
- (4) activation of the replacement AT&T BVoIP service at the Customer site occurs within 90 days of termination of the Terminated ILEC Service at that Customer site.

EVOLUTION OF SERVICE – METRO ETHERNET SERVICE

AT&T may replace the Metro Ethernet service with AT&T Switched Ethernet Service ("Successor Service"), subject to the Materially Adverse Change clause of the Master Agreement. The Parties will cooperate in migrating to the Successor Service to help avoid any unintended interruptions.

SERVICE AND SERVICE COMPONENT WITHDRAWAL

Service and Service Component Withdrawals during Pricing Schedule Term	
Prior Notice Required from AT&T to Withdraw and Terminate a Service	12 months
Prior Notice Required from AT&T to Withdraw and Terminate a Service Component	120 days
Applicable Services/Service Components	All Services/Service Components available under this Pricing Schedule.
<p>The Applicable Services/Service Components identified above ("Affected Services") are expected to evolve into or be replaced by more technologically advanced services over time as part of AT&T's network modernization initiatives. As the footprint and availability of new or more advanced versions of such services ("Successor Services") expands, AT&T may replace any existing Affected Services or fulfill any new order for such services purchased under this Pricing Schedule with a Successor Service, subject to the materially adverse change provision of the Master Agreement.</p> <p>The Eligible Replacement Service(s) will be identified adjacent to the corresponding Affected Service in the General Provisions. Such Eligible Replacement Service(s) shall be provided to Customer pursuant to the terms of the applicable Service Publication.</p>	

There are no other additions, deletions or changes to the above referenced Pricing Schedule included in this Addendum. All other terms and conditions as previously agreed and acknowledged remain unchanged and in full force and in effect.

All trademarks and service marks contained herein are owned by AT&T Intellectual Property and/or AT&T affiliated companies.



Addendum to AT&T ILEC Intrastate Pricing Schedule

Case Number FL15-2579-02
Option 1 of 1

END OF ARRANGEMENT AGREEMENT OPTION 1

Service	Quantity	Current Monthly	Month to Month
ISDN-PRI	14	\$ 9,328.80	\$ 77,233.70
Metro E	8	\$ 4,851.00	\$ 12,280.00
Smartring	1	\$ 27,199.50	\$ 101,650.00
Business Lines	200	\$ 6,162.00	\$ 19,800.00
Total		\$ 47,541.30	\$ 210,963.70

Notes:

Pricing shown above is approximate increase in services effective 1/1/2016. Additional service such as Analog data, Megalink services may be impacted and details can be provided.

Current pricing above retrieved from AT&T Business Direct web portal

Month to month pricing retrieved from AT&T General Exchange Guidebook. <http://cpr.bellsouth.com/pdf/fl/FlGBookDesc.htm>

Timeline

- 10/31/2014 AT&T receives email notification from Brevard County not to renew agreement FL11-0644-04
- 11/3/2014 AT&T acknowledges receipt of email and suggests a face to face meeting to discuss options
- 12/2/2014 AT&T meets with Jon Sellers and Jeff McKnight to discuss contract expiration, renewal options & out of contract pricing concerns
- 12/11/2014 AT&T provides proposal for Ethernet services
- 12/21/2014 Agreement FL11-0644-04 expires.
- 1/13/2015 AT&T provides 12 month proposal and renewal agreement for PRI service to reduce and stabilize rates
- 1/20/2015 AT&T requests meeting to discuss proposed PRI agreement
- 1/22/2015 Tom Gill meets with Jon Sellers to discuss contract options/renewals
- 11/5/2015 Tom Gill notifies Jon Sellers that services not under a current contract will be re-rated to month to month pricing 1/1/2016
- 11/12/2015 AT&T provides details of services impacted by the pending re-rates and approximate costs.