



**AGENDA REPORT
December 19, 2017**

SUBJECT:

Board Direction in Response to Proposed AT&T Contract Extension

FISCAL IMPACT:

The rates, for our current AT&T services, would increase significantly if this addendum is not approved, Business lines would increase from \$28/month to \$99/month, Network services would increase from \$495/month to \$1380/month. The resulting annual increase could be as much as \$1.7 million.

DEPT/OFFICE:

Agenda Coordinator

REQUESTED ACTION:

It is requested that the Board of County Commissioners review and approve the attached addendum agreement for an extension of pricing schedule term with AT&T. If the attached addendum agreement is acceptable to the Board, it is also requested that the Board authorize the Chairman to execute the agreement.

SUMMARY EXPLANATION and BACKGROUND:

Voice communications services are currently awarded to Spectrum (Bright House). These services are being migrated primarily from AT&T. At this time approximately 55 sites of 155 are migrated to Spectrum services.

While the AT&T telecommunication services will no longer be necessary when the system is completely replaced, during the conversion period, these services are essential to keep our system up and running effectively.

The Board previously approved a contract addendum offered by AT&T, which expires on December 12, 2017 and was estimated at an annual value of \$1,279,236. Based upon the current rates secured in the contract and our estimated annual AT&T services, the contract addendum has an estimated annual value of \$600,000.

The attached proposed contract addendum is critical to the County in that it will keep current AT&T service costs at the contracted rates instead of automatically reverting to month-to-month costs, which are significantly higher. This addendum will also allow the County to disconnect AT&T services with no termination fees.

ATTACHMENTS:

Description

- **AT&T Addendum**

REVIEWERS:

Department	Reviewer
County Attorney Office	Cummings, Cathleen
Agenda Coordinator	Lewis, Sally



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

Telephone: (321) 637-2001
Fax: (321) 264-6972
Tammy.Rowe@brevardclerk.us

December 20, 2017

MEMORANDUM

TO: Frank Abbate, County Manager

RE: Item VI.E.1., Board Direction for Addendum to AT&T Intrastate Pricing Schedule for Response to Proposed AT&T Contract Extension

The Board of County Commissioners, in regular session on December 19, 2017, executed and approved the Addendum Agreement for an extension of the pricing schedule term with AT&T. Enclosed is an executed Addendum Agreement.

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

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe, Deputy Clerk

/kp

Encl. (1)

cc: Contracts and Administration
IT Director
Finance
Budget



Addendum to AT&T ILEC Intrastate Pricing Schedule

Case Number FL17-2018-00

AT&T MA Reference No. 110834UA

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: 2725 Judge Fran Jamieson Way City: Viera State: FL Zip Code: 32940-	AT&T ("AT&T") For purposes of this Pricing Schedule, AT&T means the Service Provider specifically identified herein.
CUSTOMER Contact (for Contract Notices) Name: Frank Abbate Title: Assistant County Manager Telephone: 321-633-2004 Fax: - - Email: frank.abbate@brevardcounty.us Street Address: 2725 Judge Fran Jamieson Way City: Viera State: FL Zip Code: 32940-	AT&T Sales Contact Information and for Contract Notices Name: Tom Gill Title: Account Manager Telephone: 407-826-6567 Fax: - - Email: tg5181@att.com Attention: Assistant Vice President Street Address: 2180 Lake Blvd., 7 th 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

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 Commissions, Brevard County FL ("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 appropriate lawfully filed and approved Guidebooks which are by this reference incorporated herein.

Offer Expiration: This offer shall expire on: 3/28/2018.

Customer (by its authorized representative)	AT&T (by its authorized representative)
By: <i>Frank Abbate</i>	By:
Printed or Typed Name: FRANK ABBATE	Printed or Typed Name:
Title: COUNTY MANAGER	Title:
Date: DECEMBER 19, 2017	Date:



Addendum to AT&T ILEC Intrastate Pricing Schedule

Case Number FL17-2018-00
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/OC12 service, and Business Lines as part of Basic Local Exchange Service.

This Addendum provides for a 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, 2016 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, 2018.

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 FL17-2018-00
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 FL17-2018-00
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.

5) In the event of early termination of AT&T ILEC Service or Service component, including DS1 used for transport for AT&T ILEC PRI Service, AT&T shall waive the Early Termination Charge directly resulting from terminating the ILEC Service if the Customer provides written notice at least 30 days in advance of the termination date. Email is an acceptable form of notice.

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

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.

END OF ARRANGEMENT AGREEMENT OPTION 1



Addendum to AT&T ILEC Intrastate Pricing Schedule

Case Number FL17-2018-00
Option 1 of 1

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END OF ARRANGEMENT AGREEMENT OPTION 1