

**INDIAN RIVER COUNTY, FLORIDA
MEMORANDUM**

TO: Jason E. Brown, County Administrator

THROUGH: Michael Smykowski, Budget Director

FROM: Basil Dancy, Computer Services Manager

SUBJECT: AT&T Internet Contract Renewal

DATE: April 17, 2018

DESCRIPTION AND CONDITIONS

The Indian River County Board of County Commissioners entered into an agreement with AT&T to be our Internet Service Provider (ISP). In February 2011, the Board of County Commissioners approved a Master Agreement contract to set the approved pricing schedules. We have been operating under this agreement since that time.

In October/November of 2017 AT&T came out with a new pricing schedule for ISP services. Computer Services was notified of this new pricing schedule in December of 2017. Computer Services staff contacted AT&T for updated contract information at that time. We recently received the new pricing schedule contracts which represent a substantial cost savings for the County. The term of the new pricing schedule is 36 months. The connection at the County Administration complex will go from the current charge of \$3,778.14 per month to the new \$1,103.75 charge. The Emergency Operations Center (EOC) connection will go from the current charge of \$1,950.77 to \$451.50.

Staff has researched available piggyback or State contracts and have not identified any suitable for use. There is no State of Florida contract available to utilize. Staff also contacted the local surrounding agencies to compare ISP procurement practices. The responses we have received indicate that other municipalities have also entered directly into agreements with their local providers of these services without completing a formal solicitation. Pursuant to section 2.5 of the Indian River County Purchasing Manual, routine overhead for these types of utility services are exempt from the purchase requisition and purchase order requirements. There is no statutory requirement for us to bid.

The new contract covers existing internet connections currently in use and any future installs or upgrades for Board of County Commissioner connections.

Staff is requesting that the Board approve the attached agreement with AT&T. At the same time staff is recommending the approval for the upgrade of the existing connection at the EOC, which is currently a 10 Mb connection compared to the 100 Mb connection at the Administration complex. An upgrade to a matching 100 Mb connection would increase the

monthly cost to \$1,103.75 which is still less than the current \$1,950.77. This upgrade gives us a level of redundancy in the event we lose the ISP connection at the Administration complex or the EOC complex, while maintaining consistent connection speed levels. The table on the following page summarizes the various options.

Location	Current Monthly Charge	Monthly Charges with new ISP Agreement with same connection speed	Monthly Charges under new ISP Agreement with enhanced connection at EOC
Administration Complex	\$3,778.14 100 Mb connection	\$1,103.75 100 Mb connection	\$1,103.75 100 Mb connection
EOC Complex	\$1,950.77 10 Mb connection	\$451.50 10 Mb connection	\$1,103.75 100 Mb Connection
Total Monthly Charges	\$5,728.91	\$1,555.25	\$2,207.50 plus 1 time installation fee of \$1,500

FUNDING

Because of the estimated cost savings with the new contracted rates there will be no impact or expected cost increases to existing budgets.

RECOMMENDATION

Staff recommends that the Board approve the attached AT&T pricing schedule contract and authorize the Chair to sign the Pricing Schedule contract including the upgrade of the ISP connection at the EOC Complex, after review and approval by the County Attorney.

ATTACHMENTS

1. AT&T Contract 2011
2. AT&T Pricing Schedule Contract

APPROVED AGENDA ITEM

FOR May 8, 2018