

COUNCIL ACTION FORM

**SUBJECT: AMENDMENT TO QWEST COMMUNICATIONS THREE-YEAR
INTERNET SERVICE AGREEMENT**

BACKGROUND:

In order to provide additional Internet capacity and reliability required by the Electric Department, on January 27, 2009 the City Council approved a three-year agreement to obtain a T1 Internet line and equipment from Qwest Communications at a three-year total estimated cost of \$16,560.

A second T1 Internet line is required in order to segregate public WiFi Internet traffic from City staff Internet traffic at City locations. It is more economical to “bond” or connect the second line to the Electric T1 Internet line mentioned above rather than to purchase the line separately. The additional three-year total cost of the second “bonded” T1 Internet line is \$12,060.00 versus \$17,820.00 for a separate line.

Because the proposed contract covers more than one year and the cost is more than 20% of the original request, City Council approval is required. The Qwest Communications agreement contains a “nonappropriation” clause, giving the City Council the option of not appropriating funds in future years.

ALTERNATIVES:

1. Approve adding a second T1 Internet line at a three-year cost of \$12,060.00 to the existing three-year agreement between the City of Ames and Qwest Communications at an estimated three-year total cost of \$29,880.00 for both lines.
2. Approve a separate three-year agreement between the City of Ames and Qwest Communications to obtain an additional T1 Internet line and equipment from Qwest Communications at an estimated three-year total cost of \$17,820.00. Under this option, the total cost would be \$34,380 over three years.

MANAGER’S RECOMMENDED ACTION:

By approving the addition of a second T1 Internet line to the existing three-year agreement between the City and Qwest, the City will save \$5,760 over three years.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the addition of a second T1 Internet line at a three-year cost of \$12,060.00 to the existing three-year agreement between the City of Ames and Qwest Communications at an estimated three-year total cost of \$29,880.00 for both lines.