

COUNCIL ACTION FORM

SUBJECT: CENTURYLINK 60-MONTH PRIVATE DATA LINE AGREEMENT

BACKGROUND:

The City of Ames uses four CenturyLink private data lines that provide telephone and data services to Fire Station #3, CyRide, Fire Station #2, and Parks & Recreation Gateway/Ice Arena. The current contract for this service is up for renewal. The present rate is \$1,226.95 per month. For renewal, CenturyLink has proposed monthly rates that vary depending on the term of the contract as shown below.

12 months	\$ 1,308.85
24 months	1,281.25
36 months	1,226.95
60 months	1,064.65

By signing a 60-month agreement as opposed to a 36-month agreement, the City would save approximately \$1,950 per year or \$9,738 over the term of a 60-month agreement. Savings are even greater when compared to shorter term options.

City Council approval is required to take advantage of lower prices offered through a multi-year contract. The final contract contains a non-appropriation clause, as required by law.

ALTERNATIVES:

1. Approve an agreement between the City of Ames and CenturyLink, Inc. for a 60-month period to provide private data lines to the City of Ames at a cost of \$1,064.65 per month, or \$12,776 per year.
2. Approve an agreement between the City of Ames and CenturyLink, Inc. for a term other than 60 months at the price options provided above.

MANAGER'S RECOMMENDED ACTION:

By approving a 60-month agreement with CenturyLink to obtain private data lines at a total cost of \$63,879, the City will save nearly \$10,000 over five years when compared to a 36-month agreement.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving an agreement between the City of Ames and CenturyLink, Inc. for a 60-month period as described above.