




500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM

Date: March 31, 2021 

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager  
Robert C. Maleszyk, Chief Financial Officer  
Lisa Burnham, Controller  
Gert Paraskevin, Information Technology Director  
Emily Frontera, Purchasing Manager

Subject: Bid Waiver - AT&T Contract for Various Voice Lines

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### **History**

The City utilizes AT&T to provide individual voice telephone service for 90 various lines. They are comprised of emergency backup lines, backup phone service, elevators, security lines and some faxes.

These lines have always been under contract with AT&T through the State of Michigan MiDeal agreement. However, AT&T is recommending the City take advantage of their Business Calling Plan instead as it is a guaranteed cost versus what is currently available under MiDeal.

MiDeal pricing: The current base rate is \$422 per line at a 90% discount with an additional 15% discount on top of that. The effective rate would be about \$36 per line. However, this contract is subject to increases during the term of the contract if the base rate increases. It recently went from \$274 per line to \$422 and they are anticipating a rate increase soon to be over \$500 per line.

AT&T recommended Business Local Calling (BLC) plan pricing: \$32 per line for the life of the contract.

Additional regulatory taxes and fees would also apply to each of these options.

### **Purchasing**

- The City has the ability to contract for voice telephone services cooperatively through the AT&T State of Michigan MiDeal Cooperative Contract # 071B7700004 (Resolution #2020-11-165-J-8).
- AT&T also offers an alternate service plan, the Business Local Calling (BLC) plan, that through analysis offers a lower, fixed-rate price structure of \$32 per line in comparison to the MiDeal Contract pricing of \$36 per line.
- Utilizing the Business Local Calling plan will save the City an additional \$4,320 annually.
- Based on the cost savings analysis and in the best interest of the City, it is recommended to award a contract utilizing AT&T's Business Local Calling plan as detailed in the attached Service Order.

### **Financial**

Funds for telephone service are available in various operating budgets under object account 7920.040.



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## **CITY COUNCIL AGENDA ITEM**

### **Recommendation**

City Management recommends in the best interest of the City, that the bid process be waived and a three (3) year contract be awarded to AT&T for telephone service to various individual lines at a cost of approximately \$32 per line plus applicable regulatory taxes and fees. City Management further recommends continuing to utilize alternate contracts offered by AT&T for the same services as long as they are more competitive than what is available under the State of Michigan MiDeal contract.

### **Legal Review**

This item was submitted to the City Attorney for review pursuant to City Charter Section 3.17.



**AT&T BUSINESS LOCAL CALLING  
ILEC CONFIRMATION OF SERVICE ORDER  
PROVIDED PURSUANT TO STANDARD SERVICE PUBLICATION RATES AND TERMS**

<b>Customer</b>	<b>AT&amp;T</b>
CITY OF TROY Street Address: 500 W BIG BEAVER RD City: TROY State/Province: MI Zip Code: 48084 Country: USA	The applicable AT&T ILEC Service-Providing Affiliate
<b>Customer Contact (for Notices)</b>	<b>AT&amp;T Contact (for Notices)</b>
Name: GERT PARASKEVIN Title: IT DIRECTOR Street Address: 500 W BIG BEAVER RD City: TROY State/Province: MI Zip Code: 48084 Country: USA Telephone: 248.524.2868 Fax: Email: gert@troymi.gov Customer Account Number or Master Account Number: 2486897177 650	Name: TERESA ROUBAL Street Address: 301 E MILWAUKEE ST City: JANESVILLE State/Province: WI Zip Code: 53545 Country: USA Telephone: 608.436.5406 Fax: Email: <a href="mailto:TERESA.ROUBAL@ATT.COM">TERESA.ROUBAL@ATT.COM</a> Sales/Branch Manager: ISAIAH BZOSKIE SCVP Name: JAMES G Sales Strata: SLED Sales Region: <b>EAST</b> <b>With a copy (for Notices) to:</b> AT&T Corp. One AT&T Way Bedminster, NJ 07921-0752 ATTN: Master Agreement Support Team Email: <a href="mailto:mast@att.com">mast@att.com</a>
<b>AT&amp;T Solution Provider or Representative Information (if applicable)</b> <input type="checkbox"/>	
Name:            Company Name: Agent Street Address:            City:            State:            Zip Code: Telephone:            Fax:            Email:            Agent Code	

Customer agrees to purchase the Service identified below in accordance with this Confirmation of Service Order ("CSO") subject to the following, which are incorporated by reference: (a) THE TERMS OF THE APPLICABLE STATE TARIFF, IF THE SERVICE IS OFFERED PURSUANT TO TARIFF; OR (b) THE AT&T BUSINESS SERVICES AGREEMENT (BSA) which incorporates applicable Service Publications, found at <http://www.corp.att.com/agreement/> IF THE SERVICE IS NOT OFFERED PURSUANT TO TARIFF. "Service Publication" means a Tariff, Guidebook or Service Guide. The Service is not assignable or otherwise transferable, nor may it be assumed in any manner, unless otherwise required by law or regulation.

The terms and conditions provided in this CSO are provided herein for convenience only and do not supersede or modify any applicable Service Publication in any way. In the event a Service Publication term or condition is changed in any way, the following is hereby modified at the same time to reflect that change.

The applicable AT&T Service Publication(s) for each state are identified in Attachment A.

The Effective Date of this CSO is the date signed by the last party.

AT&T California currently provides billing and collections services to third parties, which may place charges that Customer authorizes on its bill. To the extent that AT&T California makes blocking of such charges available, Customer may block third-party charges from its bill at no cost.

<b>Customer</b> (by its authorized representative)	<b>AT&amp;T</b> (by its authorized representative)
By:	By:
Printed or Typed Name:	Printed or Typed Name:
Title:	Title:
Date:	Date:

**AT&T BUSINESS LOCAL CALLING  
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**1. SERVICE, SERVICE PROVIDER and SERVICE DESCRIPTION**

**1.1 Service and Service Provider**

Business Package ("Service")	Service Providing Affiliate(s) and Service Publication(s), as applicable
AT&T Business Local Calling ("BLC")	Listed in Attachment A

**1.2 Service Description - Available Line Option Package(s); Service Components**

Identified for the Service in applicable Service Publication(s)
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**1.3 Eligible Billing Telephone Numbers (BTNs)**

See Attachment B
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**2. TERM and EFFECTIVE DATES**

<b>Term</b>	36 Months
<b>Term Start Date</b>	The next calendar day following initial implementation of Service in the applicable AT&T systems
<b>Effective Date of Rates, Discounts and Billing</b>	Per Billing Telephone Number ("BTN"), on the next calendar day immediately following implementation of applicable Line Option Package in the applicable AT&T systems
<b>Rates Following Termination or Expiration of the Term</b>	Applicable Service Publication rates in effect at time of termination or expiration

**3. RATES and INITIAL ORDER**

**3.1. Line Option Packages – Monthly Rates**

Package pricing does not include Additional Service Components as identified in the applicable Service Publication.

Line Option Packages	State Availability	Prices Per BLC Access Line, Per Month – 12 Month Term	Prices Per BLC Access Line, Per Month – 24 Month Term	Prices Per BLC Access Line, Per Month – 36 Month Term
<b>Unlimited A (Option A)</b>	AL, AR, CA, FL, GA, IL, IN, KS, KY, LA, MI, MO, MS, NC, NV, OH, OK, SC, TN, TX, WI	\$44.00	\$38.00	\$37.00
<b>Unlimited B (Option B)</b>	AL, AR, CA, FL, GA, IL, IN, KS, KY, LA, MI, MO, MS, NC, NV, OH, OK, SC, TN, TX, WI	\$39.00	\$33.00	\$32.00

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**3.2. Additional Service Components (Vertical Features) - Monthly Rates and Non-recurring Charges**

Each Additional Service Component – Vertical Feature (as identified in the applicable Service Publication)	Monthly Rate	Installation Non-recurring Charge (NRC)
Per BLC access line	\$3.00	As per applicable Service Publication

**3.3 Waiver of Non-Recurring Charges (NRCs) During Term**

Waived Charges	Month of Term in which Charge is Waived
NRC for establishing a BLC access line	Any
NRC for adding or removing Hunting	Any
NRC for Additional Service Components	First month, only for Customer's initial order

**3.4 Quantity Commitment and Shortfall Adjustment Charge**

Only BLC access lines associated with a BTN listed in Attachment B or a BTN added to the Service by Customer during the Term contribute to the Quantity Commitment for purposes of calculating the Shortfall Adjustment Charge.

<b>Quantity Commitment</b>	In any month during the Term, Customer must maintain 80% of the applicable Quantity Commitment(s) (active and not on suspension), or the following Shortfall Adjustment Charge applies:
<b>25</b>	Shortfall Adjustment Charge = \$10.00 x ([80% x Quantity Commitment] – current number of access lines contributing to that Quantity Commitment)

**4. EARLY TERMINATION CHARGE**

If Customer terminates the CSO before the expiration of the Term, Customer will pay the Early Termination Charge below, unless Customer concurrently replaces this CSO with an AT&T ILEC business local exchange service agreement with a term equal or greater than the Term under this CSO and a line commitment, as determined by AT&T, equal or greater than Quantity Commitment under this CSO.

Service Components	State for Customer's Main BTN identified on Attachment B	Rate for Early Termination Charges
BLC access lines subject to Quantity Commitment	AL, AR, CA, FL, GA, IL, IN, KS, KY, LA, MI, MO, MS, NC, NV, OH, OK, SC, TN, TX, WI	\$15.00
<b>Main BTN: 2486897177 650</b>		<b>State of Main BTN: (ex: IL) MI</b>
Early Termination Charge = (Rate for Early Termination Charges) x (Quantity Commitment) x (number of months remaining in Term)		

The Early Termination Charges above may not apply if Customer terminates all or a portion of the Service for purposes of a migration to a qualifying AT&T Business Voice over IP (BVoIP) Service or AT&T Mobility Service as such migration is defined in the Service Publication.

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**5. GENERAL PROVISIONS**

- Additional BLC access lines under a BLC account may be ordered during the Term.
- BLC access lines subscribed under a Line Option Package may not be placed on Customer-initiated temporary suspension.

**Attachments A and B follow**

**ATTACHMENT A**

**AT&T ILEC SERVICE PROVIDING AFFILIATES and SERVICE PUBLICATION(S), AS APPLICABLE**

Service Provider(s)	Service Publication(s) (incorporated by reference)	Service Publication Location(s)
<b>AT&amp;T Alabama</b>	AT&T Alabama Service Publications, including General Exchange Guidebook, Sec. A3	<a href="http://cpr.att.com/pdf/al/product_line.htm">http://cpr.att.com/pdf/al/product_line.htm</a>
<b>AT&amp;T Arkansas</b>	AT&T Arkansas Guidebook, including Part 4, Sec. 5	<a href="http://cpr.att.com/guidebook/ar/index.html">http://cpr.att.com/guidebook/ar/index.html</a>
<b>AT&amp;T California</b>	AT&T California Guidebook, including Part 4, Sec. 5 and Part 8, Sec. 8 AT&T California Out of Territory Guidebook, incl. Part 4, Sec. 5 and Part 8, Sec. 8	<a href="http://cpr.att.com/guidebook/ca/index.html">http://cpr.att.com/guidebook/ca/index.html</a> <a href="http://cpr.att.com/guidebook/cf/index.html">http://cpr.att.com/guidebook/cf/index.html</a>
<b>AT&amp;T Florida</b>	AT&T Florida Guidebooks, including General Exchange Guidebook, Sec. A3	<a href="http://cpr.att.com/pdf/fl/product_line.htm">http://cpr.att.com/pdf/fl/product_line.htm</a>
<b>AT&amp;T Georgia</b>	AT&T Georgia Service Publications, including General Exchange Guidebook, Sec. A3	<a href="http://cpr.att.com/pdf/ga/product_line.htm">http://cpr.att.com/pdf/ga/product_line.htm</a>
<b>AT&amp;T Illinois</b>	AT&T Illinois Guidebook, including Part 4, Section 5	<a href="http://cpr.att.com/guidebook/il/index.html">http://cpr.att.com/guidebook/il/index.html</a>
<b>AT&amp;T Indiana</b>	AT&T Indiana Guidebook, including Part 4, Sec. 5	<a href="http://cpr.att.com/guidebook/in/index.html">http://cpr.att.com/guidebook/in/index.html</a>
<b>AT&amp;T Kansas</b>	AT&T Kansas Guidebook, including Part 4, Section 5	<a href="http://cpr.att.com/pdf/ks/index.html">http://cpr.att.com/pdf/ks/index.html</a>
<b>AT&amp;T Kentucky</b>	AT&T Kentucky Service Publications, including General Exchange Guidebook, Sec. A3	<a href="http://cpr.att.com/pdf/ky/product_line.htm">http://cpr.att.com/pdf/ky/product_line.htm</a>
<b>AT&amp;T Louisiana</b>	AT&T Louisiana Service Publications, including General Exchange Guidebook, Sec. A3	<a href="http://cpr.att.com/pdf/la/product_line.htm">http://cpr.att.com/pdf/la/product_line.htm</a>
<b>AT&amp;T Michigan</b>	AT&T Michigan Guidebook, including Part 4, Sec. 5	<a href="http://cpr.att.com/guidebook/mu/index.html">http://cpr.att.com/guidebook/mu/index.html</a>
<b>AT&amp;T Mississippi</b>	AT&T Mississippi Service Publications, including General Exchange Guidebook, Sec. A3	<a href="http://cpr.att.com/pdf/ms/product_line.htm">http://cpr.att.com/pdf/ms/product_line.htm</a>
<b>AT&amp;T Missouri</b>	AT&T Missouri Guidebook, including Part 4, Section 5	<a href="http://cpr.att.com/guidebook/mo/index.html">http://cpr.att.com/guidebook/mo/index.html</a>
<b>AT&amp;T Nevada</b>	AT&T Nevada Guidebook, including Part 2, Sec. 12.19 and Part 8, Sec. 8	<a href="http://cpr.att.com/guidebook/nv/index.html">http://cpr.att.com/guidebook/nv/index.html</a>
<b>AT&amp;T North Carolina</b>	AT&T North Carolina Service Publications, including General Exchange Guidebook, Sec. A3	<a href="http://cpr.att.com/pdf/nc/product_line.htm">http://cpr.att.com/pdf/nc/product_line.htm</a>
<b>AT&amp;T Ohio</b>	AT&T Ohio Guidebook, including Part 4, Sec. 5	<a href="http://cpr.att.com/guidebook/oh/index.html">http://cpr.att.com/guidebook/oh/index.html</a>
<b>AT&amp;T Oklahoma</b>	AT&T Oklahoma Guidebook, including Part 4, Section 5	<a href="http://cpr.att.com/guidebook/ok/index.html">http://cpr.att.com/guidebook/ok/index.html</a>
<b>AT&amp;T South Carolina</b>	AT&T South Carolina Service Publications, including General Exchange Guidebook, Sec. A3	<a href="http://cpr.att.com/pdf/sc/product_line.htm">http://cpr.att.com/pdf/sc/product_line.htm</a>
<b>AT&amp;T Tennessee</b>	AT&T Tennessee Service Publications, including General Exchange Guidebook, Sec. A3	<a href="http://cpr.att.com/pdf/tn/product_line.htm">http://cpr.att.com/pdf/tn/product_line.htm</a>
<b>AT&amp;T Texas</b>	AT&T Texas Guidebook, including Part 4, Section 5	<a href="http://cpr.att.com/guidebook/tx/index.html">http://cpr.att.com/guidebook/tx/index.html</a>
<b>AT&amp;T Wisconsin</b>	AT&T Wisconsin Guidebook, including Part 4, Sec. 5	<a href="http://cpr.att.com/guidebook/wg/index.html">http://cpr.att.com/guidebook/wg/index.html</a>

**AT&T BUSINESS LOCAL CALLING  
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ATTACHMENT B**

**BILLING TELEPHONE NUMBER (BTN) LIST**

(All Lines under each BTN must be subscribed to a Line Option Package.)

<b>Region (MW, SW, W, SE)</b>	<b>State (ex. FL)</b>	<b>10-digit BTN</b>
MW	MI	2485240031
MW	MI	2486890567
MW	MI	2486897177
MIW	MI	2487408973
MW	MI	2485241115

<b>Region (MW, SW, W, SE)</b>	<b>State (ex: FL)</b>	<b>10-digit BTN</b>
MW	MI	2485260939
MW	MI	2486894455
MW	MI	2486897632
MW	MI	2484570425
MW	MI	2486893717

If greater than 10 BTNs, list Region / State / BTN in the box below.

<p><b>MW/MI/2486899756</b>  <b>MW/MI/2487409248</b>  <b>MW/MI/2484574837</b>  <b>MW/MI/2486495385</b>  <b>MW/MI/2488138954</b>  <b>MW/MI/2488790418</b>  <b>MW/MI/2488799241</b>  <b>MW/MI/2488791200</b>  <b>MW/MI/2487402273</b>  <b>MW/MI/2488791990</b>  <b>MW/MI/2487430059</b>  <b>MW/MI/2486890613</b>  <b>MW/MI/2487409137</b>  <b>MW/MI/2486190327</b></p>
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