



**CITY COUNCIL AGENDA MEMO**

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**To:** Mayor and City Council

**Thru:** Terry Gulley, Transportation Services Director *TJG*

**From:** Sharon Waters, Parking & Telecommunications Manager *SW*

**Date:** October 28, 2011

**Subject:** AT&T Contract for Plexar Line Services

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**PROPOSAL:**

The City of Fayetteville has been utilizing Plexar services with AT&T since 1989. The Plexar system is a Central Office based switching system that provides telephone landlines that service all City of Fayetteville offices and facilities. The Plexar system is the only system where such service and switching equipment is based in the central office of the company providing the service (AT&T), thus making it a sole source product.

**RECOMMENDATION:**

Staff recommends approving a one-year contract continuation with AT&T for Plexar service, and waive competitive bidding due to sole source provisions. Only a one year contract is recommended while our I.T. Assessment Group (Plante & Moran) evaluate our complete telecommunications infrastructure to determine our future plans for telecommunications services.

**BUDGET IMPACT:**

Various funding sources and budget programs cover this expenditure, allocated proportionately to their usage of the service. The total budget impact city wide is \$91,200.00.

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE WAIVING COMPETITIVE BIDDING AND APPROVING  
A CONTRACT WITH AT&T ARKANSAS IN THE AMOUNT OF \$91,200.00  
FOR PLEXAR TELEPHONE LINE SERVICES**

**WHEREAS**, the City has been utilizing Plexar telephone line services from AT&T since 1989; and

**WHEREAS**, the Plexar system is a central office based switching system which provides telephone landlines that service all City offices and facilities; and

**WHEREAS**, the Plexar system is the only system where such service and switching equipment is based in the central office of the company providing the service, thus eliminating the need for the City to provide facilities to house this type of switching equipment; and

**WHEREAS**, the City is undergoing an Information Technology Assessment by Plante & Moran to determine future plans for telecommunications services for the City, so a one year contract continuation is sufficient;

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE  
CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby determines the facts above constitute an exceptional situation in which competitive bidding is not deemed practical or feasible and therefore waives formal competitive bidding and approves an agreement with AT&T Arkansas in the amount of \$91,200.00 for Plexar telephone line services.

**PASSED and APPROVED** this 15<sup>th</sup> day of November, 2011.

APPROVED:

ATTEST:

By: \_\_\_\_\_  
**LIONELD JORDAN**, Mayor

By: \_\_\_\_\_  
**SONDRA E. SMITH**, City Clerk/Treasurer

## SOLE SOURCE JUSTIFICATION

### PURPOSE:

This form, with one or more categories completed, must accompany purchase requisitions for the sole source procurement of equipment, services or supplies exceeding \$1000 (purchased from State Contract vendors excepted). The purpose of sole source justification is to show that competitive bidding is impractical because only one product or service provider can meet a specific need. Therefore, an equitable evaluation of comparable products or services must be made and documented by the requester who shows that rejection of other products or services is based solely on their failure to meet that need. In cases where no other comparable source can be identified, a technical description of the product requested and a listing of those companies which were considered as alternative sources must be provided. Quality can be a subjective evaluation based upon opinion. Municipal (public) procurement law requires price considerations be evaluated via competitive quoting or bidding.

While all sole source justifications are subject to review, sole source justified purchases of \$20,000.00 or more must be publicly bid or a bid waiver approved by Council. Justifications must contain clear, in-depth, and accurate information in order to avoid protests and the possibility of delaying the procurement.

### INSTRUCTIONS:

1. Please type or print legible in ink.
2. Complete all categories and sections that apply.
3. Provide full explanation, complete descriptions, and/or list all relevant reasons where space has been provided. Sole Source Justification forms lacking sufficient detail cannot be approved.
4. Sign and date the form in the space provided for "signature".
5. Improperly completed, and/or unsigned forms will be returned to the sender.

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TO: Purchasing Division Date: October 28, 2011  
FROM: Sharon Waters Dept: Parking & Telecommunications  
SUBJECT: Names of Requisitioner and Dept. Head  
Sole Source Justification  
Purchase Requisition \_\_\_\_\_(attached)  
Proposed Vendor AT&T  
Product Description Plexar System for landline telecommunications services.

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## STATEMENT

I am aware that Fayetteville Code of Ordinances, Title III Administration, Chapter 34, Article II mandates that the procurement of services, materials, equipment and supplies be via competitive quotes whenever the amount is over \$1,000.00. However, I am requesting sole source procurement based on the following criteria. (Attach additional sheets as necessary):

1. The requested product is an integral repair part or accessory compatible with existing equipment. (please state the manufacturer and model number of existing equipment):
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2. The requested product has special design/performance features which are essential to my needs.

**Both A and B portions of this category must be completed.**

- A. These features are:

The Plexar System is a Central Office based switching system that provides telephone landlines that service all City of Fayetteville offices and facilities. This is the only system where such service and switching equipment is based in the central office of the company providing the service, and thus eliminating the need to provide facilities of our own to house this type of switching equipment.

- B. In addition to the product requested, I have contacted other suppliers and considered their product of similar capabilities. I find their product unacceptable for the following reasons (identify companies contacted, individuals contacted, model number and specific technical deficiency).

The City of Fayetteville has hired an I.T. Assessment Group, Plante & Moran to do an extensive study of our telecommunications systems and evaluate our infrastructure to determine our future plans for telecommunications services. Staff recommends only approving a one-year contract continuation with AT&T for Plexar service in order to give Plante & Moran ample time to complete their study.

3. I have standardized the requested product/service; the use of another would require considerable time and money to evaluate.

Explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. The requested product is one which I (or my staff) have specialized training and/or extensive experience. Retraining would incur substantial cost in money and/or time.

Explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Please consider sole source approval for this reason(s) (e.g. trade-in allowance; availability of services, parts and maintenance; product is a prototype; inventory of parts are maintained, etc.):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Authorization:**

Full Name and Title of Requisitioner Sharon Waters, Parking and Telecom Manager  
(typed or printed in ink)

Signature Sharon Waters Date 10-28-11

Full Name of Division Head Sharon Waters  
(typed or printed in ink)

Signature Sharon Waters Date 10-28-11



**Pricing Schedule / Service Agreement**

- Pricing Schedule to AT&T Agreement Reference No. \_\_\_\_\_ \*  
 Service Agreement

If neither box above is checked then this document is a standalone Service Agreement.

\* This document may be used as a Pricing Schedule only if attached to an Agreement referred to internally at AT&T as a UA MSA, UA MA or UA SSTC.

<b>Customer ("Customer")</b>	<b>AT&amp;T ("AT&amp;T")</b>
City of Fayetteville 140 W Rock St Fayetteville AR 72701 USA	For purposes of this Pricing Schedule/Service Agreement, AT&T means the Service Provider specifically identified herein.
<b>Customer Contact (for notices)</b>	<b>AT&amp;T Sales Contact Information and for Contract Notices</b> <input type="checkbox"/> Primary Sales Contact
Name: First Last Title: Telephone:            Fax: E-mail: <u>Address for notices, if different from above:</u> Street Address City State Zip Code USA	Account Rep Name: Mick Maggi Title: Account Manager Telephone: 479 571-6660 Fax:            Email: rx090a@att.com Street Address: 114 N East Ave City: Fayetteville State: AR Zip Code: 72701 <u>With a copy to:</u> AT&T Corp. One AT&T Way, Bedminster, NJ 07921-0752 Attn: Master Agreement Support Team E-mail: <u>mast@att.com</u>
<b>AT&amp;T Authorized Agent or Representative Information (if applicable)</b> <input type="checkbox"/> Primary Sales Contact	
Name:            Company Name: Agent Street Address:            City:            State:            Zip Code: Telephone:            Fax:            Email:            Agent Code	

Customer agrees to purchase Service in the quantities and according to the prices and terms and conditions set forth in this Pricing Schedule/Service Agreement and the applicable Tariff(s) and Guidebook(s). If this document serves as a Service Agreement (as indicated above), the Service Agreement is subject to: (a) the terms of the applicable Tariff, if the Service is offered pursuant to Tariff; or (b) the AT&T Business Service Agreement (BSA), if the Service is not offered pursuant to Tariff. Tariffs, Guidebook(s) and the BSA can be found at [www.att.com/servicepublications](http://www.att.com/servicepublications). Service is provided by the AT&T Incumbent Local Exchange Carrier (ILEC) Affiliate identified below as the Service Provider. To the extent this Pricing Schedule/Service Agreement relates to Services provided in Texas, Customer acknowledges the possibility of purchasing the Services provided hereunder from other providers. Throughout the remainder of this document, this document shall be referred to as the "Pricing Schedule".

<b>Customer (by its authorized representative)</b>	<b>AT&amp;T (by its authorized representative)</b>
By: Printed or Typed Name:	By: <i>Terr Watson-Wright</i> Printed or Typed Name: <i>Terr Watson-Wright</i>
Title:	Title: <i>Contract Specialist - Mar</i>
Date:	Date: <i>10-25-11</i>

**AT&T And Customer Confidential Information**



Pricing Schedule / Service Agreement

This Pricing Schedule outlines Individual Case Basis Terms & Conditions for Plexar® - Custom Service. This Pricing Schedule is effective on the date of last signature ("Effective Date"), unless the rules of a regulatory authority having jurisdiction respecting the Service would require a later date, or an applicable tariff or guidebook ("Tariff") filing would require a later date, then the Effective Date of this Pricing Schedule shall be in accordance with such rules. AT&T and Customer are sometimes referred to in this Pricing Schedule collectively as the "Parties" or individually as a "Party."

The term "Pricing Schedule" refers to this Pricing Schedule, associated Attachment (SW-4325C), or other attachments, and any applicable Tariff. All material changes to this Pricing Schedule, including any new or revised Attachment and/or other attachments, must be signed by Customer and AT&T.

1. SERVICE PROVIDER AND TARIFF OR GUIDEBOOK: (Check only one.)

Table with 5 rows and 1 column. Each row contains a checkbox and a text description of a service provider and tariff. The first row is checked.

2. SCOPE OF SERVICE

Plexar-Custom Service ("Service") is a central-office based business communications system, which serves customers with a minimum of 75 stations within a single serving office.

The Service is provided by AT&T utilizing existing AT&T facilities and equipment, construction of new facilities, the purchase of new central office equipment, or any combination thereof. The Service is provided by an arrangement of station lines, switching equipment, customer facility groups, and other facilities located on AT&T's premises.

To the extent this Pricing Schedule relates to Services provided in Texas, Customer acknowledges the possibility of purchasing the Services provided hereunder from other providers.

3. TERM AND EFFECTIVE DATES

- A. Term and Term Start Date: The Term is specified in the Attachment; the Term begins ("Term Start Date") when the Service is first provisioned or otherwise available for Customer's use at any single Site at the rates provided in an Attachment.
B. Effective Date of Rates and Discounts: Term Start Date
C. Term of this Pricing Schedule: This Pricing Schedule shall be effective from the Effective Date and shall remain in effect until Service provided under any associated Attachment expires or is otherwise terminated.

4. GENERAL PROVISIONS

- A. Service will be provided to Customer for a Term as specified on AT&T Plexar-Custom Service Arrangement Attachment, Services Covered, SW-4325C attached and made a part of this Pricing Schedule.
B. This Pricing Schedule shall be subject to all applicable Federal, State, and Local laws, ordinances, and regulations. If Federal or State law prohibits Customer from executing any agreement that extends beyond Customer's fiscal year, then the term of the Pricing Schedule shall be deemed to be through Customer's fiscal year, and automatically renewable at the beginning of each fiscal year throughout the Term.





**Pricing Schedule / Service Agreement**

unpaid, non-recurring charges that may be owed AT&T on the Date of Termination; (ii) Customer shall use its best efforts to obtain funding for that particular Service; (iii) Customer agrees not to obtain substantially similar service and/or equipment to replace those provided under this Pricing Schedule for a period equal to the remainder of the Term as of the Date of Termination; and (iv) Customer may exercise such right to terminate upon delivery to AT&T of a 30-day written notice setting forth the reason for termination and, within 30 days following the delivery of such written notice, Customer shall provide AT&T a legal opinion of Customer's counsel certifying that no funds have been appropriated or otherwise made available for payments due under the Pricing Schedule and that funds have not been made available for the acquisition of substantially similar service and/or equipment to replace those provided under this Pricing Schedule. In Oklahoma, this Pricing Schedule is subject to the provisions of the Oklahoma Constitution pertaining to public indebtedness, and Title 15 O.S. §§213, 214, and 215; and, the rates and charges, terms, and conditions of this Pricing Schedule, including form SW-4325C, are subject to the review and/or approval by the regulatory authorities of the state of Oklahoma.

C. Items specified in the attached SW-4325C will be provided at the rates and charges shown.

**5. CUSTOMER SERVICE LOCATION(S) & PLEXAR STATION QUANTITIES**

A. Service shall be provided to Customer at the locations specified and at the quantities for Plexar station types (Digital, Basic, Off-Premises and/or Non-Working Plexar Stations) shown on SW-4325C attached.

B. Installation of Off-Premises stations will be subject to charges set out in the SW-4325C, charges in applicable sections of AT&T's tariffs, and all other terms and conditions of this Pricing Schedule.

**6. FIXED PAYMENT PLAN PROVISIONS**

A. The Fixed Payment Plan provides that Customer shall pay a monthly rate for Service over the Term, beginning on Term Start Date.

B. Installation and Non-recurring Charges shown for this Service may be deferred over the Term. For Service Components added after Term Start Date ("Additions"), Customer may elect to defer installation and Non-recurring Charges over the remaining Term based on the discount rate referenced on the SW-4325C. Installation and Non-recurring Charges will be applied each and every time services are installed or reinstalled.

C. Service rates are not subject to increases initiated by AT&T during the Term.

D. Services not specified in the attached SW-4325C, including tariffed exchange access services and/or trunk services and miscellaneous service offerings, are subject to AT&T-initiated rate changes.

E. The rates and quantities specified in the attached SW-4325C are applicable to Additions made during the period of the Term. Charges for monthly Additions begin at installation of the Addition and end at the end of the Term.

**7. PROVISIONS FOR DISCONNECTION'S OR MOVES**

**A. Disconnection of Plexar Stations**

If Customer disconnects Plexar stations before the expiration of this Pricing Schedule, the Customer shall pay a termination fee. Termination fee is applicable only on those Plexar stations disconnected that result in a reduction in the number of remaining in-service Plexar stations below 65% of the Existing Quantity (plus all other Term Start Date station quantities resulting from subsequent system additions during the Term). The termination fee is the present worth of the sum of the station rates for the unexpired portion of the Term for the number of Plexar stations determined above. In addition, the present worth of any installation and Non-recurring Charges that have been deferred must be paid in full. AT&T will use the discount rate shown on the attached SW-4325C to determine the present worth of these charges.

**B. Complete Disconnection of Service**

If Customer disconnects Service in its entirety, the Customer shall pay a termination fee. The termination fee is the present worth of the sum of the station rates for the unexpired portion of the Term for the number of stations determined in paragraph 6.A above or 65% of the Existing Quantity (plus all other Term Start Date station quantities resulting from subsequent system additions during the duration of the Term), whichever is greater. In addition, the present worth of any installation and Non-recurring Charges that have been deferred must be paid in full. AT&T will



**AT&T ILEC Plexar® ("Service")  
Custom Service SW-4325B**

**Pricing Schedule / Service Agreement**

use the discount rate shown on the attached SW-4325C to determine the present worth of these charges. Previously disconnected Plexar stations, for which termination liability has already been incurred by Customer, shall not be included in calculating station termination liability for a complete disconnection of service.

**C. Moves of Service to Different Customer Locations**

Where facilities permit, Customer may move the Service and other AT&T services from one Customer location to another, subject to the appropriate installation, Non-recurring, and recurring charges associated with the move; and subject to regulatory approval, where applicable. Monthly rates for Plexar stations at the new location will be based on the then-existing rate and will be set out in an Attachment to this Pricing Schedule. Fixed monthly rates for features affected by the move will also be established by an Attachment to this Pricing Schedule at the time of the request. A termination fee may apply if the 65% condition of paragraph 6.A above is met. These charges shall become due and immediately payable upon termination.

**8. MISCELLANEOUS PROVISIONS**

Any subsequent Attachment shall be coterminous with the original contract period unless the Customer initially requests a shorter term.

One primary directory listing will be furnished with this Service in accordance with the regulations set forth in the Directory Listings section of AT&T's Tariff.

The assignment of telephone numbers for this Service shall be in accordance with the Rules and Regulations Applying to All Customers' Contracts section of AT&T's Tariff.

At the specified locations, Customer shall furnish to AT&T sufficient floor space and the necessary wiring, outlets, and commercial power for the operation of the Service; the Customer will be responsible for the safe condition of such floor space, wiring, outlets, and power.

Service Connection Charges that apply to the Service are listed in the attached SW-4325C. Service Connection Charges included may be in the form of Plexar-Custom Establishment Charges, subsequent Station and/or System Change Charges. Subsequent Station and/or System Change Charges may apply should Customer change a feature on a station after the initial installation of such feature. The Service Connection Charges listed in SW-4325C do not include Simulated Access Line Charges, which may also apply.

Should Customer elect to add the Optional Features listed in the attached SW-4325C, the monthly rates in the SW-4325C will apply.

Monthly End User Common Line Charges will be billed to Customer for each Plexar-Custom station as prescribed by the Federal Communications Commission and set forth in AT&T's Access Tariff.

**9. ENTIRE AGREEMENT**

This is a Pricing Schedule for Plexar Service, as that Service is offered in the applicable, filed State Tariff(s) or Guidebook. This supersedes all prior representations, warranties, or agreements, whether oral or written, express or implied. This Pricing Schedule, including AT&T form SW-4325C and any other Attachments, and the Tariff constitute the entire agreement of the Parties for the provision and use of the Service and can be amended only by a writing signed by both of the Parties.

<i>For internal use only</i>	
Billing Telephone Number for Existing service, if applicable:	479 521-7700
Program Code:	

**End of Document**



**AT&T ILEC PLEXAR-CUSTOM SERVICE ARRANGEMENT ATTACHMENT**  
**Services Covered SW-4325C**

C. 4  
 AT&T Arkansas Plexar  
 Telephone Line Services  
 Page 11 of 14

Page: 1 of 4

Date: \_\_\_\_\_

Issued: \_\_\_\_\_

Service Order Number: \_\_\_\_\_

Customer: City of Fayetteville

Telephone  
 Number: 479-521-7700

Type of Service: Plexar® Custom

Term: 12 months

Contract ICB PS#: 261460

Existing Quantity	New/Add'l Quantity	USOC Code	Description	Unit Monthly Recurring Rates	Unit Non-recurring Charges	Total Monthly Recurring Rates	Total Non-Recurring Charges
<u>450</u>		<u>SHWCF</u>	<u>Basic Plexar Station, per station /DMS</u>	<u>\$7.80</u>	<u>\$46.00</u>	<u>3510.00</u>	<u>\$0.00</u>
	<u>Growth</u>	<u>SWZCV</u>	<u>Business set misc - Business set CF</u>	<u>\$0.10</u>	<u>3.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	<u>Growth</u>	<u>SHWCB</u>	<u>Selective Call Forwarding per station</u>	<u>\$0.50</u>	<u>\$2.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	<u>Growth</u>	<u>SWZL4</u>	<u>Caller ID Name &amp; Number per station</u>	<u>\$1.60</u>	<u>\$14.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	<u>Growth</u>	<u>SW8LC</u>	<u>Loop conditioning per Voice station</u>	<u>\$6.50</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

Notes: Service Connection Charges and subsequent Station/System Change Charges, if applicable, are listed on page 2 of this Attachment.  
 Optional Features, if applicable, are listed on page 4 (and on additional pages if needed) of this Plexar-Custom Service Arrangement Attachment.

Initial installation discount rate: 0.00%

- To be used in determining the present worth of Termination Liability pursuant to Paragraph 7 of the Agreement.
- To be used in determining the Annuity Factor for Deferral of initial installation and/or non-recurring charges pursuant to Paragraph 6 of the Agreement.

Customer elects to defer the following amount of installation and Non-Recurring Charges over the Plexar-Custom Contract Period \$ 0.00

This Attachment may be reissued, as required, to reflect service changes ordered by the Customer.

✓ \_\_\_\_\_  
 Date  
 ✓ \_\_\_\_\_  
 Customer Authorized Date

✓ \_\_\_\_\_  
 Customer Signature  
*A. William Wright*  
 AT&T

20110224-0220

**AT&T and Customer Confidential Information**



**II. SERVICE CONNECTION CHARGES**

**A. Establishment Charges** (if applicable) .

Description – Service Components	USOC	Non-Recurring Rate each
<p><b>Establishment Charges</b> - When initiating or adding Plexar-Custom service, AT&amp;T will assess Customer an Establishment Charge per host central office to establish Plexar-Custom service in any host and/or its associated remote offices unless the Customer already has Plexar II, Plexar-Custom, or Centrex III service in the affected host and/or associated remote offices.</p> <p style="text-align: right;">Central Office Type (Check all that apply.)</p> <p style="text-align: right;"><input checked="" type="checkbox"/> DMS100 <input type="checkbox"/> 5ESS <input type="checkbox"/> 1AESS</p>		\$212.00

**B. Station/System Change Charges** (if applicable)

Description – Service Components	USOC	Non-recurring Rate each
<p><b>Station Change Charge</b> One charge per station applies for 5 features or fewer per service order.</p>	SOWSQ	\$4.50
<p><b>System Change Charge</b> One charge applies for any system change. (per technology)</p> <p style="text-align: right;">Central Office Type (Check all that apply.)</p> <p style="text-align: right;"><input checked="" type="checkbox"/> DMS100 <input type="checkbox"/> 5ESS <input type="checkbox"/> 1A ESS</p>	SOWSW	13.50

\_\_\_\_\_  
Date

\_\_\_\_\_  
Customer Initials

**AT&T and Customer Confidential Information**



