

**Rate Adjustment for RFP# 150121-ER Telecommunications
June 27, 2017**

SUMMARY:

This item requests approval for a rate adjustment on RFP# 150121-ER Telecommunications.

BOARD GOAL:

VI. Growth, Change & Fiscal Responsibility...demonstrate effective and efficient management of District resources.

PREVIOUS BOARD ACTION:

This proposal was brought to the board for award on February 17, 2015.

BACKGROUND INFORMATION:

This proposal was awarded for a period of three years with the option to renew for two (2) additional one (1) year periods upon governing body approval. The initial award for this proposal does not expire until June 30, 2018. Verizon delivers two (2) SIP trunks to the District. These trunks are internet based phone lines for our Voice over IP (VoIP).

SIGNIFICANT ISSUES:

Verizon, the District's awarded vendor, was recently awarded a contract thru the Texas DIR. The awarded rates thru Verizon's contract with Texas DIR, DIR-TEX-AN-NG CTSA-010, are less than the rates that Verizon is currently awarded for on the District's proposal RFP# 150121-ER. Under RFP#150121-ER, Verizon's rates for the District's SIP trunks are \$94,005.54. Verizon's new rates under the Texas DIR award are \$52,241.94 based on a 36 month term. This results in a savings of \$41,763.60 for the district this year.

FISCAL IMPLICATIONS:

The cost for these services will be borne by the utilities budget.

BENEFIT OF ACTION:

The district obtains the same level of service at a rate that is a better value to the district.

SUPERINTENDENT'S RECOMMENDATION:

It is recommended that the rate adjustment proposed by Verizon for RFP# 150121-ER in the amount of \$52,241.94 for year one(1) be accepted. These rates will match the Texas DIR Contract award on DIR-TEX-AN-NG CTSA-010 and are based on a 36 month term.

STAFF PERSONS RESPONSIBLE:

Ernie Stripling, Technology Information Officer
Cindy Willis, Director of Purchasing

ATTACHMENTS:

Rate Sheet

APPROVAL:

Signature of Staff Member Proposing Recommendation:

Signature of Divisional Assistant Superintendent:

Signature of Superintendent:
