

**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**99-080**

**SYNOPSIS -**

**AGENDA:**

MARCH 1, 1999

**SUBJECT:**

RENEGOTIATED  
CONTRACT WITH  
US WEST  
COMMUNICATIONS,  
INC., FOR TRUNK  
LINES

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

MICHAEL  
ARMSTRONG  
INFORMATION  
TECHNOLOGY  
DIRECTOR

The City uses 48 Direct Inward Dialing (DID) trunks for calls into and 32 Call Out (CO) trunks for calls out of the City's internal phone system. This contract with US West Communications, Inc., (Sol Trujillo, President, Denver, CO) replaces existing contracts that would expire in April 2000. Renegotiating this contract will result in cost savings of \$1080 per month.

**FISCAL IMPACT -**

An amount of \$2,849.98 per month for 60 months (\$170,998.80 contract total) from the Telephone Communications budget (Index Code 110361) in the Information Technology Department. Current contract costs are \$3,929.98 monthly (\$235,798.80 contract total). The new contract represents a cost reduction of \$1,080 per month and a total cost reduction of \$64,800 over the life of the contract.

**RECOMMENDATION -**

**Approve renegotiated contract with US West Communications, Inc., for trunk lines.**

**BACKGROUND -**

The City and US West Communications, Inc., entered into two contracts in 1992 and one contract in 1995 for DID trunk lines to provide a total of 48 trunk lines for direct inward calling and 32 CO trunks for outward dialing through the City's PBX.

Changes in technology, particularly the availability of Digital Switched Service (DSS), and recent tariff filings by US West Communications, Inc., have made consolidation of these

contracts and renegotiation of contract rates very attractive to the City.

US West Communications, Inc., is a public utility; procurements of services from public utilities are exempt from competitive requirements (Ordinance 2-86(a)(4)).

The proposed renegotiated contract reduces the City's monthly cost for these trunk lines by \$1,080 per month, beginning immediately upon approval of this contract. Total cost reduction for the 60-month contract term will be \$64,800.