

AGENDA



Recommendation for Council Action (Purchasing)

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| Austin City Council | Item ID: | 21291 | Agenda Number | 23. |
| Meeting Date: | January 31, 2013 | | | |
| Department: | Purchasing | | | |
| Subject | | | | |
| <p>Authorize recurring payments under the Greater Austin Area Telecommunications Network Agency interlocal agreement for the City of Austin’s share of the variable and joint project costs at an anticipated average of \$584,111 annually for the remaining 20 years of the agreement for a total amount not to exceed \$11,682,220.</p> | | | | |
| Amount and Source of Funding | | | | |
| <p>Funding for the current Fiscal Year’s cost in the amount of \$550,180 is available in the 2012-2013 Operating Budget of the Communications and Technology Management Department. Funding for subsequent years’ expenditures will be contingent upon available funding in future year budgets.</p> | | | | |
| Fiscal Note | | | | |
| <p>There is no unanticipated fiscal impact. A fiscal note is not required.</p> | | | | |
| Purchasing Language: | Exempt from competitive procurement methods. | | | |
| Prior Council Action: | May 20, 1993 – Original GAATN Interlocal Agreement signed; term of 40 years or longer if network is still viable. GAATN Construction RCAs provided separately. | | | |
| For More Information: | Cynthia Gonzales, Corporate Contract Compliance Manager, 974-1905 | | | |
| Boards and Commission Action: | | | | |
| Related Items: | | | | |
| MBE / WBE: | This Interlocal Agreement is exempt from the MBE /WBE Ordinance. This exemption is in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract. | | | |

Additional Backup Information

GAATN is an area-wide, high speed fiber optic telecommunications network which links City of Austin facilities and allows interconnections and shared services with six other local governmental agencies. Through use of GAATN, the City of Austin is currently achieving \$4,380,000 in Yearly Cost Avoidance.

The original Interlocal Agreement that created the GAATN Agency was signed in 1993 with an initial term of 40 years. Expenditures were originally included in the Capital Improvement Project (CIP) budget and are now included in the Communications and Technology Management Department's operating budget. COA contributed in-kind services for its share of the original fixed construction costs and has contributed an average of \$415,000 yearly (21.5% of GAATN's total budget) toward the Network's annual Variable Maintenance Costs. An additional \$50,000 yearly average has been contributed by COA toward joint COA-GAATN construction projects, bringing the City's total Capital investment for participation in GAATN to date to \$5,451,114.

The 2013 assessment from GAATN for COA's share of both the Variable and Project Costs is \$550,180. The projection of annual Variable and Project costs for the remaining 20 years of the original agreement is an average of \$584,111 per year, for a total of \$11,682,220 (cost numbers indexed to allow for inflation as well as joint participation in a large Data Center project in 2014-15).

Pursuant to Texas Government Code Section 791.025, a local government that purchases goods and services under the authority of the Interlocal Cooperation Act satisfies the requirement of the local government to seek competitive bids for the purchase of the goods and services in question.

The City's Communications and Technology Management Department (COA CTM) participates on the GAATN Board and provides the team of individuals that perform the GAATN Network Management functions for the Agency. Participation under the agreement will continue until withdrawal action is taken by City Management or the GAATN Agency dissolves.