



	Approved	Denied
Action taken	4/10/06	
Other:		
Verified by:	<i>[Signature]</i>	

WASILLA CITY COUNCIL ACTION MEMORANDUM

AM No. 06-17

TITLE: AWARD OF BID TO GENERAL COMMUNICATIONS INC., FOR LONG DISTANCE SERVICE IN THE AMOUNT OF \$35,000 FOR A 3-YEAR TERM CONTRACT ENDING JUNE 30, 2009.

Agenda of: April 10, 2006
 Originator: William A. Miller, Purchasing Officer

Date: March 23, 2006

Route to:	Department	Signature/Date
X	Public Works *signature required	<i>[Signature]</i> 3/23/06
X	Finance *signature required	<i>[Signature]</i> 3/23/06
X	Clerk	<i>[Signature]</i>

REVIEWED BY MAYOR DIANNE M. KELLER: *[Signature]* For Mayor Keller

FISCAL IMPACT: yes \$35,000 or no Funds Available yes no
 Account number: 001.4134-414.50-30, 220-4270-427.50-30, 210-4550-455.50-30,
 001-4310-431.50-30, 001-4240-420.5030, 001-4210-420.50-30, 001-4230-420.50-30,
 001-4224-420.50-30, 001-4223-420.50-30, 001-4134-414.50-30, 001-4240-420.50-36.
 Attachments: Bid response from General Communications, Inc.

SUMMARY STATEMENT: On January 24, 2006, the City of Wasilla issued Invitation to Bid number 0606-0-2006/WM for municipal wide long distance telephone service. In 2005, the city spent \$16,349 for long distance service and \$7,922 has been expended YTD FY 2006. In response to the advertisement, one bid was received for 16¢ per minute intrastate/10¢ per minute interstate, but those rates are higher than the current city rates of 15¢ per minute intrastate/9¢ cents per minute interstate rate. The City rejected the bid and issued a second invitation to bid on February 28, 2006.

The only bid received for the second solicitation was 14¢ per minute intrastate and 5¢ per minute interstate. In addition, the bidder is offering a one-time \$500 credit if the City agrees to a three-year contract with the option to renew for two additional one-year terms. If awarded to this bidder, the City will realize an annual savings of \$2,688.56 the first year and \$2,188.56 per year for next two years after that for a total three-year contract term savings of \$7,065.68. Assuming the City utilizes General Communications, Inc., as the long distance carrier for the full five years, the savings to

the taxpayer will be \$11,431.80. Award recommendation is being made to the lowest responsive bidder.

STAFF RECOMMENDED ACTION: Council is requested to authorize a three-year contract award of bid number 0606-0-2006R/WM for long distance toll service from General Communications, Inc., beginning May 1, 2006 not to exceed \$35,000 for the term of the three year contract.

The continuation of the new Contract beyond the current fiscal year is subject to and contingent upon sufficient funds being appropriated, budgeted, and otherwise made available by the Wasilla City Council. The City may terminate this Contract, and General Communications, Inc., waives any and all claim(s) for damages, effective immediately upon receipt of written notice (or any date specified therein) if for any reason the funding from City, State, and/or federal sources is not appropriated or is withdrawn, limited, or impaired.