

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 8, 2010

Board Item: V-E-7

Master Service Agreement with Qwest Communications
[Contract # 13396A]

Action by Consent

Action

Information

The Information Technology division is consolidating thirteen (13) separate contracts with Qwest Communications into a new Master Services Agreement (MSA). Other non-contracted Qwest services are also being incorporated into the MSA. The MSA provides reduced pricing and price protection over a five year period, and allows Denver Water to add, change and delete Qwest services through simple amendments to the MSA, rather than through separate contracts for different Qwest services.

Our current services through Qwest Communications consist of over 550 circuits of various types and capacities, and are used to provide our SCADA (Water Control) networks, our interconnected voice and data business network to over 50 facility locations, our internet connections, and our radio and wireless backhaul transports. Qwest service expenses are budgeted at \$2,327,168 in 2011.

With anticipated communication service additions, changes and deletions over the next five years, total expenditures under this MSA are estimated to be \$12,355,250. This represents a 6% increase (compared to 2011 costs), over the next five years.

The existing thirteen (13) contracts with Qwest Communications will be terminated (with no interruption in service), and their remaining approved funding (approx. \$1,738,593) will be transferred to the new Qwest MSA. Additional approved funding of \$10,616,657 will be required in order to meet the projected cost of this five year MSA with Qwest Communications.

Recommendation:

It is recommended that the Board approve this five year Master Service Agreement with Qwest Communications for a total cost not to exceed \$12,355,250.

Approvals:



Chris R. Dermody
Director of Information Technology

Respectfully submitted,



James S. Lochhead, CEO/Manager



Patricia Wells, General Counsel

See Attachment: