

**16020**

DATE: December 15, 2010

TO: Board of Acquisition and Contract

FROM: Marguerite Beirne, Chief Information Officer

RE: AUTHORIZATION TO RENEW CONTRACT IT-233 WITH CABLEVISION LIGHTPATH, INC., FOR THE PROVISION OF FULL VOICE, VIDEO AND DATA TRANSMISSION SERVICES FOR AN ADDITIONAL FIVE-YEAR PERIOD COMMENCING ON JANUARY 1, 2011 AND TERMINATING ON DECEMBER 31, 2015 FOR A TOTAL AMOUNT NOT TO EXCEED \$25,634,000

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**BACKGROUND:**

- On March 2, 2000, your Honorable Board approved a resolution which authorized the County to enter into an agreement (IT-233) with Cablevision Lightpath, Inc. ("Lightpath") for the provision of full voice, video and data transmission services along a high-speed telecommunications network for an amount not to exceed \$23,453,541 over a five-year term, with the County having the option to renew the agreement for two additional five-year terms (the Agreement").
- On November 3, 2005, your Honorable Board approved a resolution to renew Contract IT-233 with Lightpath for a five year term commencing on January 1, 2006 and terminating on December 31, 2010, for a not to exceed amount of \$25,000,000 to a new total not to exceed contract amount of \$48,453,541, with the County having the option to renew the agreement for one additional successive five year term. The renewal agreement was subsequently executed.
- Lightpath has provided excellent, reliable, low-cost service since the inception of the agreement. Over the two terms, services procured through this agreement have increased significantly. The current monthly expense under this agreement for voice and data networking services is \$485,000 or \$5,820,000 per year. In order to ensure the county's continued relationship, Lightpath has agreed to offer a tiered percentage reduction which increases over the remaining years of the five year term. This negotiated reduction will save the County approximately \$693,000 on average per year over current billing for an overall savings of approximately \$3,466,000.
- Inter-Municipal Agreements ("IMA"s) have allowed 44 municipalities, 16 fire districts and 6 school districts in Westchester County to take advantage of many of the same services and pricing the County has under the Lightpath contract. DoIT administers the implementation of the IMA and the transition to Lightpath facilities with the municipalities. This is a DoIT shared service.
- The primary goal for this agreement is to provide economical, reliable and efficient voice and telecommunication services to the County and municipalities. Auditing of the services provided to the County through this agreement is carried out by the Department of Information Technology staff.

- This renewed agreement highlights the continued efforts for County-wide cost reduction. The original agreement was executed after an exhaustive Request for Proposals (RFP) process, and during both renewals, further cost reductions have been negotiated.
- We are requesting a not-to-exceed amount of \$25,634,000 for various telecommunications and networking services for the County over the five-year term, 2011 through 2015. The County, on thirty (30) days written notice to Lightpath, shall have the right to terminate agreement (IT-233), in its sole discretion, without further obligation to Lightpath at any time after the third year of the five year renewal term.

**ACTION REQUESTED:**

- Authorization to renew the agreement (IT-233) with Cablevision Lightpath, Inc., having a place of business located at 200 Jericho Quadrangle, Jericho, New York 11753, for the provision of full voice, video and data transmission services along a high-speed telecommunications network for a five year term commencing on January 1, 2011 and terminating on December 31, 2015 for a total not to exceed amount of \$25,634,000, to a new total not to exceed contract amount of \$74,087,541.

A resolution authorizing the above agreement is submitted herewith for your approval.

APPROVED BOARD OF ACQUISITION & CONTRACT - 12/22/2010 - JOMARY WEIRA, SECRETARY

# RESOLUTION

UPON A COMMUNICATION FROM THE CHIEF INFORMATION OFFICER, DEPARTMENT OF INFORMATION TECHNOLOGY, BE IT HEREBY

**RESOLVED**, that the County of Westchester is hereby authorized to renew Contract IT-233 with Cablevision Lightpath, Inc. ("Lightpath"), having a principal place of business located at 200 Jericho Quadrangle, Jericho, New York 11753, for the provision of full voice, video and data transmission services along a high-speed telecommunications network, for a five-year term commencing on January 1, 2011 and terminating on December 31, 2015 for a total not to exceed amount of \$25,634,000, to a new total not to exceed contract amount of \$74,087,541; and be it further

**RESOLVED**, that the County, on thirty (30) days written notice to Lightpath, shall have the right to terminate Contract IT-233, in its sole discretion, without further obligation to Lightpath at any time after the third year of the five year renewal term; and be it further

**RESOLVED**, that this Agreement is subject to County appropriations; and be it further

**RESOLVED**, that this agreement is also subject to further financial analysis of the impact of any New York State Budget (the "State Budget") proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Contractor, then the Contractor shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

**RESOLVED**, that the County Executive or his duly authorized designee is hereby authorized to execute and deliver any and all documents and to take all action necessary and appropriate to effectuate the purposes hereof.

APPROVED BOARD OF ACQUISITION & CONTRACTING

SECRETARY

# RESOLUTION

Original Agreement: \$23,453,541  
 1<sup>st</sup> Renewal: \$25,000,000  
**This Renewal: \$25,634,000**  
 TOTAL: \$74,087,541

Contract No. **IT-233**

Accounts to be charged:

Year	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
2011	101	16	6000	4070		\$216,000
2011	101	16	6000	4160		\$1,365,000
2011	101	16	6000	4140		\$3,457,000
2011			Various County	Departments		\$224,000
2012	101	16	6000	4070		\$216,000
2012	101	16	6000	4160		\$1,365,000
2012	101	16	6000	4140		\$3,457,000
2012			Various County	Departments		\$224,000
2013	101	16	6000	4070		\$214,000
2013	101	16	6000	4160		\$1,335,000
2013	101	16	6000	4140		\$3,384,000
2013			Various County	Departments		\$223,000
2014	101	16	6000	4070		\$210,000
2014	101	16	6000	4160		\$1,295,000
2014	101	16	6000	4140		\$3,284,000
2014			Various County	Departments		\$222,000
2015	101	16	6000	4070		\$205,000
2015	101	16	6000	4160		\$1,275,000
2015	101	16	6000	4140		\$3,242,000
2015			Various County	Departments		\$221,000

Budget Funding Year(s): 2011-2015  
 (must match resolution)

Start Date: January 1, 2011

End Date: December 31, 2015

Funding Source

Tax Dollars: \$25,634,000

State Aid \_\_\_\_\_

**\$25,634,000**

(must match resolution)

Federal Aid \_\_\_\_\_

Other: \_\_\_\_\_