



AGENDA MEMORANDUM

Action Item for the City Council Meeting January 18, 2024

DATE: January 18, 2024

TO: Peter Zanoni, City Manager

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Amendment #1 to T-Mobile Co-Operative Purchase Agreement for Cellular Services Data and Phones

CAPTION:

Motion authorizing execution of Amendment No 1 to the co-operative purchase agreement with T-Mobile USA, Inc., of Cincinnati, Ohio, through the Sourcewell Purchasing Cooperative, in an amount not to exceed \$4,138,250.40, for an additional five years of cellular phone and data services for various City departments, with FY 2024 of \$507,665.76 available through various City funds.

SUMMARY:

This motion authorizes Amendment No. 1 with T-Mobile USA, Inc. to provide cellular services through the Sourcewell Purchasing Cooperative Agreement for an additional five years.

BACKGROUND AND FINDINGS:

T-Mobile USA, Inc. provides cellular service to City department devices which includes Public Safety mobile data computer systems and Code Enforcement mobile computers, GPS tracking devices for department vehicles, field staff devices and remote monitoring equipment.

Cellular service for approximately 1,070 cell phones, currently provided by Cellco Partnership dba Verizon Wireless, will be moving to T-Mobile with this agreement. T-Mobile's network provides better service and coverage while offering pricing 60% lower than Verizon. The cellular voice service includes unlimited calls, texts, and data, on cellular voice devices and includes preemption services providing priority service for all City devices in the event network resources become congested.

PROCUREMENT DETAIL:

This procurement is being facilitated through the Sourcewell Cooperative. Contracts awarded through the Sourcewell Cooperative have been competitively procured in compliance with Texas Local and State procurement requirements. The savings on the Sourcewell Cooperative for this service agreement is 15% off retail price, a savings of \$621,424.00 over the five-year contract.

Moving cell phone service from Verizon to T-Mobile will result in a savings of \$1.6 million over the 5-year period.

ALTERNATIVES:

Any alternative would disrupt services to City departments including Public Safety.

FISCAL IMPACT:

This fiscal impact for the various departments in FY 2024 is an amount not to exceed \$507,665.75. The remaining amount will be budgeted through the remaining fiscal years' budget process.

FUNDING DETAIL:

Various accounting sources available upon request.

RECOMMENDATION:

Staff recommends approval of this motion authorizing a five-year service agreement with T-Mobile USA, Inc. as presented.

LIST OF SUPPORTING DOCUMENTS:

Amendment No. 1
Price Sheet