

ITEM #:	<u>22</u>
DATE:	<u>06-11-24</u>
DEPT:	<u>FIN</u>

COUNCIL ACTION FORM

**SUBJECT: REQUEST TO WAIVE FORMAL BIDDING REQUIREMENTS AND
AUTHORIZE CITY STAFF TO ENTER INTO AN AGREEMENT WITH IOWA
COMMUNICATIONS NETWORK FOR INTERNET SERVICES**

BACKGROUND:

The City's three-year agreement with Lumen Technologies to provide internet services to the City ended on June 1, 2024, and the City is currently receiving services outside of an agreement on a month-by-month basis.

Knowing the City's agreement with Lumen Technologies was coming to an end, the Iowa Communications Network (ICN) reached out to the City to discuss its product offerings. As background, ICN is a state agency providing internet services to education, government, health care, and public safety units in the State of Iowa. The ICN began in 1989 and has since grown to be the trusted internet provider to Iowa public-sector entities.

City staff and ICN met several times and have developed a five-year proposal for a 2Gb/s primary connection at City Hall, a 2Gb/s backup connection at Ames Public Library, and Distributed Denial of Service (DDoS) protection for both connections. This proposal meets the City's needs for geographic redundancy, fail-over, and network security services. Additionally, the proposal provides 29 public usable IP addresses, which exceeds the City's current requirements.

In addition to the cost savings associated with the transition to ICN, the staff is of the opinion that DDoS is a new security protection that will provide a significant security enhancement. This protection prevents outside entities from disrupting the city network with extraneous traffic and preventing authentic City communications from reaching the internet.

The proposal from ICN includes an installation charge of \$3,739.24 and an ongoing monthly charge of \$2,343.00. The proposed contract amount is slightly less than the monthly \$2,400 in the City's current contract and significantly less than Lumen Technology's quoted price. It should be noted that the agreement includes a thirty-day termination clause with a penalty should the City choose to end the agreement before the end of the term. Therefore, the agreement does not require an annual appropriation clause.

The ICN proposal amounts to an annual cost of \$31,855.24 for the first year and \$28,116 for each of the four subsequent years. This is roughly \$13,901 less than the FY 2024/25 budget included for primary internet services.

ALTERNATIVES:

1. Authorize City staff to enter into a five-year contract with ICN to provide internet services to the City of Ames at a five-year cost of \$144,319.24.
2. Do not authorize a five-year contract with ICN and attempt to find another vendor for internet services.

CITY MANAGER'S RECOMMENDED ACTION:

ICN is the trusted provider of the internet to public entities in the State of Iowa. The proposal meets all City IT bandwidth and redundancy requirements and includes the strong security improvement of DDoS protection at a lower cost than the current provider.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.