



## Agenda Item Summary

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### **Submitted By**

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### **Reviewed By**

LKS

### **Agenda Item Title**

**A Resolution Approving Various Service Agreements with Call One Inc. to Provide Voice and Data Circuit Services in a Total Amount Not to Exceed \$90,000, Authorizing Their Execution and Waiving the Village's Bid Process for the Agreements**

### **Overview**

Call One Inc. has been providing voice and data circuits for the Village's telephone, radio, eCommerce and Alarm systems. The service agreements between Call One and the Village are up for renewal on May 19, 2020.

### **Recommendation**

Approve the Resolution.

### **Fiscal Impact**

The 2020 Budget allocated \$217,500.00 for Telecommunication Charges (account #1001.410400.101.540690). An adequate budget amount was anticipated for this service.

### **Background**

When telecommunication services were shifted to the Information Technology (IT) Department, review of the telephone circuit inventory were found to be very difficult to manage and control due to multiple vendors and accounts providing services. In 2008, the IT Department began consolidating many services with Call One, reducing the expense from over \$200,000 to under \$100,000 annually while increasing service. The IT Department routinely evaluates the Village's circuit inventory in reducing cost as deemed appropriate for services required.

Previously, some customers were exempted from three Illinois taxes, known as the Illinois Telecommunications Excise Tax, the Illinois Telecommunications Municipal Infrastructure Maintenance Fee, and the Illinois Simplified Municipal Telecommunications Tax.

The State of Illinois has taken the position that municipal and not-for-profit entities are not exempt from these taxes. Starting this past February, the monthly bill included these taxes on all customers' statements. The result is an increase in the cost for these services.

### **Alternatives**

The Village could elect to not fund this service and terminate voice and data services.

**Previous Board Action**

On 05/07/2018 the Board authorized a three-year agreement for telecommunication services with Call One, Inc. in an amount not to exceed \$70, 000 and waiving bid process. Prior to this, the Board authorized a three-year agreement with CallOne on 7/16/2012 and on 7/20/2015, at an estimated annual cost not to exceed \$90,000.00.

**Citizen Advisory Commission Action**

The Civic Information Systems Commission (CISC) first reviewed the Village's IT Strategic Plan at their April 17, 2014 meeting. This plan includes the Telecommunication system upgrade and CISC receive regular updates. The CISC members understand that circuit service provider is required to support daily and emergency operations including the telephone and data services.

**Anticipated Future Actions/Commitments**

The Village Board will need to approve a new contract in one year.

**Intergovernmental Cooperation Opportunities**

Call One is the selected telecommunication provider of the SPC and the Village is able to take advantage of favorable service rates under Contract #188.