

# TOWN OF DAVIE

## TOWN COUNCIL AGENDA REPORT

**TO:** Mayor and Councilmembers

**FROM/PHONE:** Frank Apicella  
Director, Technology & Information Management

**PREPARED BY:** Frank Apicella

**SUBJECT:** Resolution

**AFFECTED DISTRICT:** Townwide

**TITLE OF AGENDA ITEM:** A resolution of the Town of Davie, Florida, waiving formal bidding and authorizing the Mayor to execute an agreement with BellSouth for the purchase of the Primary Rate Interface communications services for a period of 25 months.

**REPORT IN BRIEF:** As part of the "SMARTRing" proposal the existing Primary Rate Interface communication services need to be updated to reflect the new telephone/data network changes. This agreement is for 25 months to allow for reduced pricing. The use of 25 months does not lock the Town into a long term agreement.

The Town currently utilizes communication lines provided by Bellsouth. The existing communication lines that connect Town facilities do not have built-in redundancy. The architecture of the proposal "SMARTRing" has built-in redundancy (see section 4, page 54 of attachment A). This redundancy will help the Town in the event of a hurricane or other emergencies. The design allows parts of the network to fail and still allow the Emergency Operation Center (EOC) to stay running.

The one time cost to install the "SMARTRing" system is \$7,075.00. The actually increase monthly to the Town is only \$101.00 per month.

The speed of the proposed "SMARTRing" is 622.08 mbps. The significantly increased speed of communications will provide more efficient Town-Wide in network applications. Departments will be able to transfer GIS data across the

network without degrading the network. We will be able to accommodate streaming video of Council meetings for public access, as well as future applications.

All existing Town communication lines are compatible with the proposed "SMARTRing". All remote facilities will connect to the ring.

Bellsouth is a single source provider of the "SMARTRing" by means of tariff regulations (attachment B).

This resolution is part of 3 resolutions for different contract periods with BellSouth. All 3 resolutions need to be passed for the "SMARTRing" to work.

**PREVIOUS ACTIONS:** N/A

**CONCURRENCES:** The Town Attorney has reviewed the contract and agrees with its form and correctness.

**FISCAL IMPACT:**

Has request been budgeted? yes

If yes, expected cost: \$56,956.00

Account Name: Communications Accounts ending in 4101

If no, amount needed: \$

What account will funds be appropriated from: All departments

Communications Accounts

Additional Comments:

**RECOMMENDATION(S):** Motion to approve the resolution.

**Attachment(s):**

A/ Bellsouth Proposal

B/ Single Source letter

Letter from Town Attorney

RESOLUTION \_\_\_\_\_

A resolution of the Town of Davie, Florida, waiving formal bidding and authorizing the Mayor to execute an agreement with BellSouth for the purchase of the Primary Rate Interface communications services for a period of 25 months.

WHEREAS, the Town currently has BellSouth as the provider of network communications to all the Town's facilities under Tariff B; and

WHEREAS, BellSouth is the single source provider of the Primary Rate Interface communications services; and

WHEREAS, A competitive bid of Primary Rate Interface communications services under a different tariff would result in higher costs to the Town; and

WHEREAS, the Town is in need of redundant communications between essential facilities during emergency operations and everyday communications; and

WHEREAS, the Town currently pays BellSouth for existing communication

WHEREAS, by implementing the Primary Rate Interface communications services, the Town gains significantly in network services by means of redundancy and network speed; and

WHEREAS, the Town Council has the authority to waive formal bidding.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

SECTION 1. The Town Council hereby waives formal bidding and authorizes the Mayor to execute the BellSouth Contract Service Agreement and

Letters of Election, which is attached here to and identified as attachment 'A', sections 9 and 10

SECTION 2. The Town Council hereby authorizes this expenditure from the appropriate departmental operating accounts.

SECTION 3. This resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2006.

\_\_\_\_\_  
MAYOR/COUNCILMEMBER

ATTEST:

\_\_\_\_\_  
TOWN CLERK

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2006

# **Attachment A**

**CONTRACT SERVICE ARRANGEMENT  
AGREEMENT**

Case Number FL06-5958-01

This Contract Service Arrangement (CSA) Agreement ("Agreement") is by and between BellSouth Telecommunications, Inc., a Georgia corporation, d/b/a BellSouth, ("Company") and TOWN OF DAVIE ("Customer or Subscriber"), and is entered into pursuant to Tariff Section A5 of the General Subscriber Services Tariff. This Agreement is based upon the following terms and conditions as well as any Attachment(s) affixed and the appropriate lawfully filed and approved tariffs which are by this reference incorporated herein.

1. Subscriber requests and Company agrees, subject to the terms and conditions herein, to provide the service described in this Agreement at the monthly and nonrecurring rates, charges, and conditions as described in this Agreement ("Service"). The rates, charges, and conditions described in this Agreement are binding upon Company and Subscriber for the duration of this Agreement. For the purposes of the effectiveness of the terms and conditions contained herein, this Agreement shall become effective upon execution by both parties. For purposes of the determination of any service period stated herein, said service period shall commence the date upon which installation of the service is completed.
2. Company agrees to provide Subscriber notice of any additional tariffed services required for the installation of the Service. Subscriber agrees to be responsible for all rates, charges and conditions for any additional tariffed services that are ordered by Subscriber.
3. This Agreement is subject to and controlled by the provisions of Company's or any of its affiliated companies' lawfully filed and approved tariffs, including but not limited to Section A2 of the General Subscriber Services Tariff and No. 2 of the Federal Communications Commission Tariff and shall include all changes to said tariffs as may be made from time to time. All appropriate tariff rates and charges shall be included in the provision of this service. Except for the expressed rates, charges, terms and conditions herein, in the event any part of this Agreement conflicts with the terms and conditions of Company's or any of its affiliated companies' lawfully filed and approved tariffs, the tariff shall control.
4. This Agreement may be subject to the appropriate regulatory approval prior to commencement of installation. Should such regulatory approval be denied, after a proper request by Company, this Agreement shall be null, void, and of no effect.
5. If Subscriber cancels this Agreement prior to the completed installation of the Service, but after the execution of this Agreement by Subscriber and Company, Subscriber shall pay all reasonable costs incurred in the implementation of this Agreement prior to receipt of written notice of cancellation by Company. Notwithstanding the foregoing, such reasonable costs shall not exceed all costs which would apply if the work in the implementation of this Agreement had been completed by Company.
6. The rates, charges, and conditions described in this Agreement may be based upon information supplied to Company by the Subscriber, including but not limited to forecasts of growth. If so, Subscriber agrees to be bound by the information provided to Company. Should Subscriber fail to meet its forecasted level of service requirements at any time during the term of this Agreement, Subscriber shall pay all reasonable costs associated with its failure to meet its projected service requirements.
7. (a) If Subscriber cancels this Agreement or a Service provided pursuant to this Agreement at any time prior to the expiration of the service period set forth in this Agreement, Subscriber shall be responsible for all termination charges. Unless otherwise specified by the tariff or stated elsewhere in this Agreement, termination charges are defined as fifty percent (50%) of the recurring charges due or remaining as a result of the minimum service period agreed to by the Company and Subscriber and set forth in this Agreement and any nonrecurring charges that were not applied upon installation as set forth in this Agreement.

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PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION. MAY NOT BE USED OR DISCLOSED OUTSIDE THE  
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**CONTRACT SERVICE ARRANGEMENT  
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(b) Subscriber further acknowledges that it has options for its telecommunications services from providers other than Company and that it has chosen Company to provide the services in this Agreement. Accordingly, if Subscriber assigns this Agreement to a certified reseller of Company local services and the reseller executes a written document agreeing to assume all requirements of this Agreement, Subscriber will not be billed termination charges. However, Subscriber agrees that in the event it fails to meet its obligations under this Agreement or terminates this Agreement or services purchased pursuant to this Agreement in order to obtain services from a facilities based service provider or a service provider that utilizes unbundled network elements, Subscriber will be billed, as appropriate, termination charges as specified in this Agreement.

8. This Agreement shall be construed in accordance with the laws of the State of Florida.
9. Except as otherwise provided in this Agreement, notices required to be given pursuant to this Agreement shall be effective when received, and shall be sufficient if given in writing, hand delivered, or United States mail, postage prepaid, addressed to the appropriate party at the address set forth below. Either party hereto may change the name and address to whom all notices or other documents required under this Agreement must be sent at any time by giving written notice to the other party.

Company

BellSouth Telecommunications, Inc.  
Assistant Vice President  
13450 W Sunrise Blvd, Suit 600  
Sunrise, FL 33323

Subscriber

TOWN OF DAVIE  
6591 ORANGE DR  
DAVIE, FL 33314

10. Subscriber may not assign its rights or obligations under this Agreement without the express written consent of Company and only pursuant to the conditions contained in the appropriate tariff.
11. In the event that one or more of the provisions contained in this Agreement or incorporated within by reference shall be invalid, illegal, or unenforceable in any respect under any applicable statute, regulatory requirement or rule of law, then such provisions shall be considered inoperative to the extent of such invalidity, illegality, or unenforceability and the remainder of this Agreement shall continue in full force and effect.
12. Subscriber acknowledges that Subscriber has read and understands this Agreement and agrees to be bound by its terms and conditions. Subscriber further agrees that this Agreement, and any orders, constitute the complete and exclusive statement of the Agreement between the parties, superseding all proposals, representations, and/or prior agreements, oral or written, between the parties relating to the subject matter of the Agreement.
13. Acceptance of any order by Company is subject to Company credit and other approvals. Following order acceptance, if it is determined that: (i) the initial credit approval was based on inaccurate or incomplete information; or (ii) the customer's creditworthiness has significantly decreased, Company in its sole discretion reserves the right to cancel the order without liability or suspend the Order until accurate and appropriate credit approval requirements are established and accepted by Customer.
14. This Agreement is not binding upon Company until executed by an authorized employee, partner, or agent of Subscriber and Company. This Agreement may not be modified, amended, or superseded other than by a written instrument executed by both parties, approved by the appropriate Company

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- organization, and incorporated into Company's mechanized system. The undersigned warrant and represent that they have the authority to bind Subscriber and Company to this Agreement.
15. Should any state or federal legislative or regulatory authority with appropriate jurisdiction determine that any or all of the Regulated Services provided hereunder should no longer be regulated or provisioned under previously applicable tariffs, and provided it is otherwise permissible under applicable state or federal law, the Parties agree that their respective provision and purchase of such Regulated Services shall thereupon be governed by the terms and conditions of this Agreement.

**CONTRACT SERVICE ARRANGEMENT  
AGREEMENT**

Case Number FL06-5958-01  
Option 1 of 1

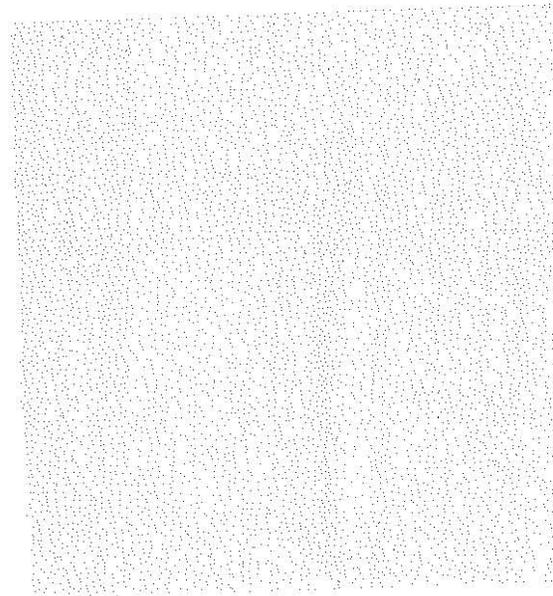
Offer Expiration: This offer shall expire on: 11/21/2006.

Estimated service interval following acceptance date: Negotiable weeks.

**Service description:**

This Contract Service Arrangement (CSA) Agreement provides BellSouth® Primary Rate ISDN - Voice/Data (Standard) (minimum number of B-Channels per PRI required) with Extended Local Calling Plan.

This Agreement is for a twenty-five (25) month service period.



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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives on the dates set forth below.

Accepted by:

Subscriber:  
TOWN OF DAVIE

By: \_\_\_\_\_  
Authorized Signature

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Company:  
BellSouth Telecommunications, Inc.  
By: BellSouth Business Systems, Inc.

By: \_\_\_\_\_  
Authorized Signature

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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**RATES AND CHARGES**

	<u>Rate Elements</u>	<u>Non-Recurring</u>	<u>Monthly Rate</u>	<u>USOC</u>
1	BellSouth® Primary Rate ISDN Access Line, each	\$0.00	\$120.00	1LD1E
2	BellSouth® Primary Rate ISDN Interface, each -Voice/Data (Standard)	\$0.00	\$340.00	PR71V
3	BellSouth® Primary Rate ISDN B-Channels, each -Voice/Data (Standard)	\$0.00	\$9.00	PR7BV
4	Telephone Numbers for Flat Rate BellSouth® Primary Rate ISDN Voice/Data (Standard), Per telephone number requested inward and 2-way	\$0.00	\$0.20	PR7TF
5	BellSouth® Primary Rate ISDN, Calling Name Delivery Feature -Per Primary Rate Interface	\$0.00	\$75.00	PR7CN
6	Optional Calling Plan, Extended Local Calling Plan, 7,500 Minutes Per Month Plan, Per Plan -Overage rate of \$.045 per minute of use (Minimum of 10 B-Channels per PRI required.)	\$0.00	\$30.00	OCWFC

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**RATES AND CHARGES**

**NOTES:**

1. Extended Local Calling Plan is an optional service designed to provide intraLATA long distance/toll calling for business customers via a monthly rate for a fixed number of long distance/toll minutes for all calls that are dialed to exchanges within the LATA, but outside the Local Calling Area (LCA) as defined in Section A3 of the General Subscriber Services Tariff.

a. The Extended Local Calling Plan accumulates intraLATA minutes within the same state Revenue Accounting Office (RAO) from single earning numbers/locations/account numbers (non-aggregated) and/or multiple earning numbers/locations/account numbers (aggregated).

b. A customer may have both non-aggregated and Aggregated Extended Local Calling Plan on the same agreement.

c. Extended Local Calling Plan is available only in conjunction with the following flat rate services:

- 1) BellSouth Primary Rate ISDN w/Flat Rate B-Channels
- 2) Flat Rate Single Line Business
- 3) Flat Rate Multiline Business

Rates for these services include local usage in the Local Calling Area and are in addition to those for Extended Local Calling Plan.

d. Extended Local Calling Plan customers may aggregate usage of like services from different earning numbers/locations/account numbers within the same state Revenue Accounting Office (RAO). Extended Local Calling Plan customers may not aggregate usage of unlike services. For example, customer may aggregate usage for flat rate simple business lines and flat rate complex business lines, but may not aggregate usage for flat rate business lines and Primary Rate ISDN).

e. The Extended Local Calling Plan is furnished subject to the availability of facilities.

f. Extended Local Calling Plan usage will be determined as follows:

- 1) Extended Local Calling Plan incurs a monthly flat rate for a fixed number of minutes (Minutes Per Month Plan) to exchanges within the LATA.
- 2) Minutes that exceed the Minutes Per Month Plan fixed allowance will be charged a per minute rate for each additional minute.
- 3) Extended Local Calling Plan usage will be rounded in six (6) second increments.

g. Call Detail will not be available on the Extended Local Calling Plan customer bill, and will not be available for customer review.

h. In the event that minutes of use for calls terminating in an Independent Company Exchange exceed 15% of the customer Minutes Per Month Plan allowance, Company reserves the right to terminate that customer's Extended Local Calling Plan.

2. All applicable rates and regulations for BellSouth® Primary Rate ISDN as set forth in the General Subscriber Services Tariff are in addition to the rates and regulations contained in this Contract Service Arrangement with the exception that volume discounts as outlined in the tariff do not apply.

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3. A Termination Liability Charge is applicable if service is terminated prior to expiration of this Agreement. The applicable charge is dependent on the service period subscribed to and will be equal to the number of months remaining in the service period times the monthly rate provided under this Agreement.
4. Apply five End User Common Line Charges for each PRI Interface.
5. Other rate elements used in the provision of the service may not have been listed herein, but can be found in the appropriate BellSouth tariff.
6. Subscriber is responsible for miscellaneous charges when applicable. (Examples are local, state, and federal taxes; Universal Service Fund charge; End User Common Line charge; etc.)
7. The rates set forth in this Agreement are based upon Subscriber retaining and agreeing to pay Company for the minimum number of B-Channels per PRI required for the Extended Local Calling Plan, Minutes Per Month Plan(s) ordered within the same state Revenue Accounting Office throughout the term of this Agreement (detailed below with its associated Minutes Per Month Plan).

Minutes Per Month Plan	Minimum PRI	Minimum B-Channels Per PRI
1,000	1	10
2,500	1	10
7,500	1	10
10,000	1	17
15,000	1	17
30,000	2	17
45,000	3	17
60,000	4	17
75,000	5	17
90,000	6	17

8. Nonrecurring charges associated with this Agreement shall not apply. However, if all or any part of the service is disconnected prior to the expiration of this Agreement, then the Subscriber will pay full nonrecurring charges as identified below in addition to applicable termination liability charges:

PRI Access Line	ILD1E	\$875.00 each
PRI Interface, Voice/Data (Standard)	PR71V	\$110.00 each
PRI B-Channels, Voice/Data (Standard)	PR7BV	\$ 5.00 each

Furthermore, if Customer disconnects all service offered on this Agreement, then a Contract Preparation Charge applies in the amount of \$326.00 in addition to applicable termination liability charges.

**9. A2. GENERAL REGULATIONS**

**A2.4 Payment Arrangements and Credit Allowances (Cont'd)**

**A2.4.8 Variable Term Payment**

A. In the event that all or any part of the service is disconnected at the customer's request prior to the expiration of any selected payment period of greater than one month's duration, the customer will be required to pay the applicable termination charge as stated in the Access Service Tariff, the Private Line Service Tariff and this Tariff. The tariff provisions concerning termination liability shall be inapplicable to any state, county, or municipal governmental entity when there is in effect, as a result of action by such entity and through a duly constituted legislative, administrative, or executive body:

1. a statute;
2. an ordinance;

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- 3. a policy directive; or
- 4. a constitutional provision

which restricts or prohibits an additional contractual payment for early termination of a contract by any such entity, or agency thereof, due to an unavailability of funding. When service is being provided and funding to the governmental entity for such service becomes unavailable, the governmental entity may cancel the service without additional payment obligation.

Absent any official statute, ordinance, policy directive, or constitutional provision, the customer shall be responsible for the termination charges.

Nonrecurring charges from Section A4. of this Tariff and from the specific tariff section for the contracted service, associated with the establishment of the contracted service that has been deferred over the life of the payment plan, shall be due immediately and in full at the time of disconnect of the service in accordance with the tariff for the affected service.

All trademarks and service marks contained herein are the property of BellSouth Intellectual Property Corporation.

**END OF ARRANGEMENT AGREEMENT OPTION 1**

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## **Attachment B**



BellSouth Business<sup>SM</sup>

Suite 410  
13450 W. Sunrise Blvd.  
Sunrise, Florida 33323

October 12, 2006

Frank,

The SmartRing<sup>®</sup> service that has been proposed for the City of Davie is only provided by BellSouth and therefore we are single source for this service. The specific SmartRing<sup>®</sup> package that has been provided to you has the following features:

- SmartRing<sup>®</sup> service provided from the Florida Intrastate Tariff - B. Private Line Services Tariff (PLST)
- We have provided a custom discounted Contract Service Agreement
- 5 nodes including two BellSouth Central offices, Jacaranda and Plantation
- Carrying all local services provided by BellSouth

One of the specific provisions of the Florida Intrastate Tariff - B. Private Line Services Tariff (PLST) referenced above is that it may not be resold by another carrier. BellSouth does have SmartRing<sup>®</sup> service that we do allow other carriers to resell. It is out of a different tariff and we are legally not allowed to discount the service with a Contract Service Arrangement. It also would not be sold by any other carrier with only BellSouth Central Office and customer nodes. Let me know if you have any other questions.

*Thank you,*  


Christine Vicens  
Sales Manager - BELLSOUTH  
13450 West Sunrise Boulevard, Suite 600  
Sunrise, FL 33323  
Voice/VMail - 954.838.1737 or (net)838.1737  
e-mail - [chris.vicens@bellsouth.com](mailto:chris.vicens@bellsouth.com)

*If you have received this email in error or if you do not wish to receive any future commercial electronic mail messages from BellSouth Business, reply to this message with 'UNSUBSCRIBE' as the only word in the subject line.*

# **Attachment C**

*Handwritten initials/signature*

MONROE D. KIAR  
TOWN ATTORNEY  
TOWN OF DAVIE  
6191 SW 45<sup>th</sup> Street, Suite 6151A  
Davie, Florida 33314  
(954) 584-9770

RCVD JUL 10 '06

**MEMORANDUM**

DATE: July 10, 2006  
TO: Frank Apicella, Technology Information Management Director  
CC: Ken Cohen, Acting Town Administrator  
Mayor and Councilmembers.  
FROM: Monroe D. Kiar *MDK*  
RE: Control Number 060609  
Proposed Solutions for SMARTRing, PRI, Frame Relay, Metro Filternet, and Private Line TI Services

Pursuant to your request, this office has reviewed the proposal for the Town of Davie submitted by BellSouth. Chapter 8 sets forth certain proposed network monthly recurring costs as well as proposed network non-recurring costs, along with network transport costs for the Town of Davie. It is assumed that these have already been closely reviewed by your Department. Chapter 9 contains the Contract Service Arrangement Agreement between BellSouth Telecommunications, Inc., a Georgia Corporation, d/b/a BellSouth, and the Town of Davie. It provides that BellSouth shall provide the Town notice of any additional tariffed services required for the installation of the service and that the subscriber (Town) agrees to be responsible for all rates, charges and conditions for any additional tariffed services that are ordered by subscriber. It also states that the Agreement is subject to and controlled by the provisions of companies or any affiliated companies lawfully filed and approved tariffs and shall include all changes to said tariffs as may be made from time to time. It is again presumed that inquiry has been made by your office as to said filed and approved tariffs.

The Contract indicates that if the Town cancels the Agreement prior to the completed installation of the service, but after the execution of the Agreement, the Town shall pay all reasonable costs incurred in the implementation of this Agreement prior to receipt of written notice of cancellation by Company. Further, the Agreement provides that the rates, charges and conditions

described in the Agreement may be based upon information supplied to the company by the Town, including, but not limited to, forecasts of growth and should the Town fail to meet its forecasted levels of service requirements at any time during the term of the Agreement, the subscriber shall pay all reasonable costs associated with its failure to meet its projected service requirements.

It should be noted that paragraph 7(a) of the Agreement indicates that if the Town cancels the Agreement or a service provided pursuant to the Agreement at any time prior to the expiration of the service period set forth in the Agreement, the Town shall be responsible for all termination charges. The Agreement further states that unless otherwise specified by the tariff or stated elsewhere in the Agreement, termination charges are defined as 50% of the recurring charges due or remaining as a result of the minimum service period agreed to by the company and subscriber and any non-recurring charges that were not applied upon installation.

The Contract Service Arrangement Agreement states on page 4 that BellSouth's offer to the Town shall expire on May 18, 2006. It is presumed that this has been extended since the date of your Memorandum and receipt of same by this office was near the end of June, 2006. The Agreement however, should be modified to reflect a new offer expiration date.

The Contract Service Arrangement Agreement further provides that the service period for the Agreement is 60 months and that the Agreement shall be extended for additional 1 year terms under the same terms and conditions contained therein, unless either party provides written notice of its intent not to renew the Agreement at least sixty (60) days prior to the expiration of the initial term or each additional 1 year term. It is felt that it is important for your Department to be fully aware of this provision which would automatically extend the Agreement unless adequate written notice is sent to BellSouth at least 60 days prior to any expiration period.

The Contract Service Arrangement Agreement appears to be in proper legal form for submission to the Town Council for its consideration, but it is suggested that your office, if it has not already done so, familiarize itself with the provisions set forth above and determine what, if any, additional charges and costs the Town may be subject to prior to the Town's execution of the Contract Service Arrangement Agreement. Again, the Town should be fully aware of the termination provisions and penalties for early termination. In addition to the provisions outlined above, a termination liability charge will be applicable if services provided under the Agreement are disconnected prior to the end of the chosen service period and these are further outlined on page 7 and 8 of the Contract Service Arrangement Agreement.

You have also asked this office to review the Letters of Election set forth in Chapter 10. These pertain to BellSouth Centrex Service, Frame Relay Service, and T1 - Hicap. Attached to each Letter of Election is a quote detail setting forth the applicable charges. It is presumed that these have been reviewed by your Department and such other appropriate staff members as the Administration deems fit. It is noted that the 3 Letters of Election indicate that the service period is for 24 months. This is not consistent with the 60 month period set forth in the Contract Service Arrangement Agreement. It is suggested that this be reviewed to ensure that this discrepancy in duration was in

fact intended by the parties. If not, then this should be addressed and the Letters of Election be made consistent with that of the provisions of the Contract Service Arrangement Agreement. It should be noted that the Letter of Election provides that the Town agrees to pay BellSouth for the provision of the services based on the selected length and term described in the tariff and that the monthly rate will continue for the elected service period and will not be subject to company initiated change during said period. This would appear to indicate that after 24 months, BellSouth would have the right to initiate rate changes. Again, you should be aware of the provisions contained in the Letters of Election that refer to service being terminated by the Town prior to the expiration of the service period and the cancellation charges the Town would be subject to under such circumstances.

The Letters of Election also contain a provision whereby the Town acknowledges that it has read and understands the Agreement and agrees to be bound by its terms and that by signing or indicating acceptance, the Town acknowledges and accepts all terms of the Agreement as set forth above, including all terms set forth in the "Service Descriptions and Price List" found at [HTTP://cpr.bellsouth.com/vest/product\\_line.htm](http://cpr.bellsouth.com/vest/product_line.htm), as applicable.

Assuming that you have familiarized yourself with the provisions set forth above, as well as the balance of the provisions contained in the Letters of Election and have obtained satisfactory answers to the issues and concerns outlined above, then under such circumstances, the Letters of Election would be in proper legal form for submission along with the Contract Service Arrangement Agreement to the Town Council for its consideration and review.

Upon your receipt of this Memorandum, will you please contact this office so that we may discuss its contents.

MDK/gmv