

ORDINANCE NO. 024-26

AN ORDINANCE AUTHORIZING A  
CHANGE ORDER TO A CONTRACT  
WITH AT&T, CORPORATION  
FOR TELEPHONE AND DATA  
TELECOMMUNICATIONS SERVICES

WHEREAS, The Chicago Transit Authority ("Authority") requires landline telephone services, including local, long distance, and toll-free calls, and data telecommunications across the Authority's system; and

WHEREAS, The Authority entered into a contract with AT&T, Corp. ("AT&T") under Requisition No. B15OP02073 for the required services for three years with two one-year options in the amount of \$19,600,000.00; and

WHEREAS, In 2020, the Authority extended the contract for twelve months via letter, on July 14, 2021, the Transit Board approved Change Order No. 1 to extend the contract for an additional twelve months and add \$4,000,000.00 in funds, per Ordinance No. 021-89, and on July 13, 2022, the Transit Board approved Change Order No. 2 to extend the contract for an additional twenty-four months and add \$9,500,000.00 in additional funds, per Ordinance No. 022-90; and

WHEREAS, The Authority has numerous complex legacy telecommunication circuits across the service area, and due to delays in the launch of the Authority's new Training and Control Center the Authority will continue to use these legacy circuits while the new systems are being designed, installed, and commissioned; and

WHEREAS, AT&T is the only provider that can provide these types of Legacy circuits until the Authority's systems are upgraded; and

WHEREAS, Additional funding in the amount of \$10,000,000.00 is required to cover billing overages and forecasted charges through the remainder of the contract due to continued rate increases for AT&T legacy technologies; and

WHEREAS, The Authority's Technology Department is preparing the procurement documents for a new telecommunications service agreement for the continued support of the legacy system; and

WHEREAS, Change orders for contracts originally valued at more than \$1,000,000.00 that individually or cumulatively increase the original contract value by more than 10% or by more than \$500,000.00 or extend the termination date by more than twelve months require approval by the Transit Board; and

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WHEREAS, Change orders for contracts that are not for Public Works Projects that increase the original contract value by more than 50% require the Board to determine that such increases are in the best interest of the Chicago Transit Authority; and

WHEREAS, Staff recommends approval of Change Order No. 3 to the contract with AT&T for landline telephone and data telecommunications services to add \$10,000,000.00 in additional funds; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD  
OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. The Chicago Transit Board hereby finds that it is in the Chicago Transit Authority's best interests to approve Change Order No. 3 adding Ten Million Dollars (\$10,000,000.00) in additional funds to the Authority's contract with AT&T, Corp. for landline telephone and data telecommunications services.

SECTION 2. The Chairman of the Chicago Transit Board, the President of the Chicago Transit Authority, and the Vice President of Purchasing and Supply Chain, or their designees, are hereby authorized to execute Change Order No. 3 to the Authority's contract with AT&T, Corp. for landline telephone and data telecommunications services to add funds in the amount of Ten Million Dollars (\$10,000,000.00), for a revised contract total of Forty-Three Million One Hundred Thousand Dollars (\$43,100,000.00).

SECTION 3. The Chairman, President, and Vice President of Purchasing and Supply Chain, or their designees, are further authorized to take such actions and execute such documents as may be necessary to implement the objectives of this ordinance.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

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Chairman

February 14, 2024

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Secretary

February 14, 2024