

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** I.T.I. Inc. Internet Services Agreement

**Manager's Recommendation:**

I recommend approval of the Internet Services Agreement between the City of Saginaw ("City") and I.T.I., Inc. ("ITI"). This Agreement sets terms for the City's access to the Internet, which is currently provided by ITI. It is further recommended that the City Manager or his designee be authorized and directed to execute this agreement. I have approved the Agreement as to substance and the City Attorney as to form.

**Justification:**

In 2007, City Council approved an agreement with ITI to provide Internet services to the City. The City continues to experience a significant increase in demand for Internet bandwidth due to increased City website traffic and the implementation of new technology such as Shot Spotter. The maximum bandwidth capacity is reached on a regular basis causing delay in Internet response times. The parties have agreed to enter into a new Agreement for a period of three (3) years with an increase in Internet access. The increased access will provide quicker website response, double bandwidth availability and the redundancy of an additional line. The monthly charge for Internet services will increase by \$319 a month to a total of \$893 a month.

This Agreement contains terms that are not favorable to the City, such as a one-sided indemnification clause, two year limitation for filing of lawsuits and imposition of late fees and collection charges. It is recommended that we accept the Agreement in its present form as these terms and conditions are standard in most Internet service agreements.

**Council Action:**

Council \_\_\_\_\_ moved that the recommendation from the City Manager be approved.