AMENDED IN COMMITTEE 1/27/16 ORDINANCE NO. 26-16

FILE NO. 151278

NOTE:

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[Agreement Amendment - AT&T Corporation - Telecommunications Services - Not to Exceed $\$121,764,312\underline{\$122,429,557}$]

Ordinance retroactively authorizing the Department of Technology and the Department of Contract Administration to enter into the Third Amendment of an Agreement between the City and the AT&T Corporation, for the City's telecommunications services, by extending the term of the agreement for an additional five years through December 31, 2020, and increasing the total not-to-exceed amount of the agreement from \$97,953,700 to \$121,764,312 \$122,429,557.

Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in single-underline italics Times New Roman font. Deletions to Codes are in strikethrough italics Times New Roman font. Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Background. The Department of Technology (the "Department") procures local and long distance telephone and data services for the City under an agreement with AT&T (the "Agreement") that incorporates the State of California's CALNET3 agreement. The CALNET3 Agreement offers California public entities a purchasing vehicle for telecommunications services at lower prices than the entities might be able to secure for themselves individually.

The Agreement allows the City to purchase telecommunications services under the best pricing available to public entities. The Agreement also allows non-profit agencies in San Francisco to purchase telecommunications services directly from AT&T at the preferred pricing available to the City.

By Ordinance 98-10, the City approved the Agreement for a term of four and one-half years, beginning on March 1, 2010 and a maximum amount of \$75,000,000. Ordinance 98-10 is on file with the Clerk of the Board of Supervisors in File No.100251 and is also available on the Board's website.

By Ordinance 39-15, the City approved an extension of the agreement to December 31, 2015 and a maximum amount of \$97,953,700. Ordinance 39-15 is on file with the Clerk of the Board of Supervisors in File No.141208 and is also available on the Board's website.

Section 2. The Third Amendment. The Third Amendment to the Agreement is on file with the Clerk of the Board of Supervisors in File No. 151278. The Third Amendment would extend the term of the Agreement through December 31, 2019 with a one year option to extend through December 31, 2020. The Department has evaluated the needs of City Departments through 2020 and has determined the five year extension will increase the not to exceed amount of the Agreement by an additional \$23,810,612 \$24,475,857.

Section 3. <u>Authorizations:</u> Section 9.118 of the San Francisco Charter requires approval by the Board of Supervisors for leases with a term of ten years or more, and for contracts in excess of ten years or requiring expenditures above ten million dollars.

(a) The Board of Supervisors authorizes the Department and the Office of Contract Administration to execute the Third Amendment in substantially the form on file with the Clerk of the Board of Supervisors, in File No. 151278, extending the term of the agreement to December 31, 2020 and increasing the total not-to-exceed amount of the agreement to \$121,764,312 \$122,429,557.

Section 4. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney

Ву:

MARGARITA GUTIERREZ
Deputy City Attorney

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City and County of San Francisco **Tails**

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Ordinance

File Number:

151278

Date Passed: February 23, 2016

Ordinance retroactively authorizing the Department of Technology and the Department of Contract Administration to enter into the Third Amendment of an Agreement between the City and the AT&T Corporation, for the City's telecommunications services, by extending the term of the agreement for an additional five years through December 31, 2020, and increasing the total not-to-exceed amount of the agreement from \$97,953,700 to \$122,429,557.

January 27, 2016 Budget and Finance Committee - AMENDED

January 27, 2016 Budget and Finance Committee - CONTINUED AS AMENDED

February 03, 2016 Budget and Finance Committee - RECOMMENDED

February 09, 2016 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

February 23, 2016 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

File No. 151278

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 2/23/2016 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board