



SAN FRANCISCO
DEPARTMENT OF
TECHNOLOGY

Michael Makstman
Chief Information Officer &
Executive Director

Date: August 29, 2025

To: Clerk of the Board of Supervisors

From: Michael Makstman
City CIO, Executive Director
Department of Technology

Re: Approval of Second Amendment to the citywide FirstNet Master Agreement with AT&T Mobility for Wireless Service and Equipment
Supplier ID: 0000024955; Contract ID: 1000018237

The Department of Technology (DT) respectfully requests approval of the Second Amendment to the citywide FirstNet Master Agreement with AT&T Mobility. This amendment will extend the contract term by eighteen (18) months, through April 21, 2027, and increase the not-to-exceed amount from \$22,252,968 to \$29,572,719. The amendment maintains all existing rates and terms of the State's FirstNet contract.

This extension allows the City to continue leveraging the State of California's CALNET-3 FirstNet contract while the State negotiates a successor agreement (CALNET-5). Maintaining access to FirstNet, an essential public safety cellular platform, is vital to City operations, and the proposed terms are favorable and cost-effective.

What is FirstNet and Why It Matters

FirstNet is a nationwide broadband network dedicated to public safety. Managed by AT&T under a 25-year federal contract awarded in 2017, FirstNet provides prioritized cellular service for law enforcement, firefighters, and other first responders. It operates on Band 14, a spectrum set aside exclusively for emergency services.

In 2017, the State of California opted into this federal initiative and negotiated FirstNet terms through its CALNET-3 telecommunications program. The City has participated in the CALNET-3 FirstNet contract since 2020, benefiting from its favorable terms:

- **No minimum purchase commitment**
- **Month-to-month service flexibility**
- **No termination fees**
- **"Most Favored Nation" pricing clause** ensuring the best available rates

Fiscal Management and Citywide Mobile Use Reform

DT has made substantial efforts over the past two years to contain costs and drive efficiency in the City's mobile portfolio. These initiatives include:

- **Implementing a citywide Mobile Device Use Policy in 2023** to define eligibility, reduce unnecessary devices, and standardize provisioning

- **Developing the Dormant Cell Phone application**, a tool to identify and deactivate unused mobile lines
- **Removing 1,161 unused or unnecessary FirstNet lines over the past two years**

These initiatives have successfully stabilized the total number of devices across all four carriers, even as usage has shifted toward the FirstNet platform due to its enhanced public safety capabilities.

Why the Increase is Justified

Despite our cost-control achievements, demand for FirstNet services continues to grow due to operational mandates. The proposed \$7.3 million increase supports:

- **Wider deployment of FirstNet** to additional first responders and public safety staff
- **Device replacements** due to aging and rugged field usage
- **Inflationary pressure** on equipment prices
- **Strategic migration** from other carriers to FirstNet, consolidating spend into a more dependable platform

The City's annual expenditure under this agreement is approximately \$4.8 million for both services and equipment. This proposed 18-month extension ensures continued access to FirstNet without disruption at competitive State-negotiated rates, while the CALNET-5 contract is finalized.

Conclusion

This amendment is critical to sustaining high-priority public safety communications while adhering to fiscal responsibility. DT's reforms have created a strong foundation for cost-efficient mobile operations, and the continued use of the FirstNet platform is the most prudent course during this interim period.

We respectfully request your approval. Thank you for your consideration.

Sincerely,

DocuSigned by:

D7D71C563AD34FB...

Michael Makstman

City CIO | Executive Director

Department of Technology