

1 [Agreement - AT&T Corporation - Telecommunication Services - Not to Exceed \$80,000,000]

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3 **Resolution authorizing the Department of Technology to enter into an agreement**
4 **with AT&T Corporation to purchase wired voice and data network and**
5 **telecommunication services, with a not to exceed amount of \$80,000,000 for a six**
6 **and one-half year term of January 1, 2022, through June 30, 2028, and with one five-**
7 **year option to extend, pursuant to Charter, Section 9.118.**

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9 WHEREAS, Since 2001, the Department of Technology (“Department”) has been
10 procuring telecommunications services for the City and County of San Francisco (“City”)
11 from AT&T Corporation (“AT&T”) under a series of contracts that were approved by the
12 Board of Supervisors; those contracts have all incorporated the terms and conditions of the
13 State of California’s Integrated Telecommunications Network agreements (“CALNET
14 contracts”); and

15 WHEREAS, The City’s existing agreement with AT&T to purchase those services
16 was entered into in 2010 after approval from the Board of Supervisors; that agreement,
17 which was amended five times with Board of Supervisors approval, will expire on
18 December 31, 2021; and

19 WHEREAS, The State of California has entered into a new set of CALNET contracts
20 with AT&T that are known as the CALNET-Next Generation contracts; and

21 WHEREAS, Under the CALNET-Next Generation contracts, State agencies and local
22 governments are able to purchase modern wired voice and data network services from
23 AT&T at the lowest rates; the State’s procurement process and buying power ensures that
24 the best pricing is available to public entities; and

1 WHEREAS, Pursuant to Administrative Code, Section 21.16(b), the City may utilize
2 the results of a competitive solicitation by another public agency; and

3 WHEREAS, The Department has negotiated a new agreement with AT&T that would
4 allow City departments to purchase these telecommunications services using the pricing
5 and other terms and conditions contained in the CALNET-Next Generation contracts
6 (“Agreement”); and

7 WHEREAS, The initial term of the Agreement is for six and a half years, but under
8 the Agreement DT has an option to extend the term of an additional five years, with Board
9 of Supervisors approval, unless the State terminates the CALNET-Next Generation
10 contracts before that date; and

11 WHEREAS, A number of City departments are presently purchasing certain legacy
12 telecommunications services from AT&T that are not available under the CALNET-Next
13 Generation contracts; and

14 WHEREAS, DT has determined that AT&T is a sole source for these legacy
15 services; and

16 WHEREAS, The Office of Contract Administration has approved the waiver of the
17 competitive solicitation requirements for these legacy services; and

18 WHEREAS, The Department has evaluated the wired voice and data network and
19 telecommunication services needs of City departments from January 1, 2022, through June
20 30, 2028; the Department has determined that the City’s spending under the Agreement
21 during its six and one-half year term will be \$80,000,000; and

22 WHEREAS, Section 9.118 of the Charter requires approval by the Board of Supervisors
23 for contracts in excess of ten years or requiring expenditures above \$10,000,000; now,
24 therefore, be it

1 RESOLVED, That the Board of Supervisors approves the Agreement between the City
2 and AT&T to allow City departments to purchase wired voice and data network and
3 telecommunication services for a term of six and one-half years beginning on January 1, 2022,
4 with a not to exceed amount of \$80,000,000; a copy of the Agreement is on file with the Clerk of
5 the Board of Supervisors in File No. 211089; and, be it

6 FURTHER RESOLVED, That within 30 days of the Agreement being fully executed
7 by the parties the Department of Technology shall provide it to the Clerk of the Board for
8 inclusion in the official file.

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