1 [Agreement Amendment - AT&T - Telecommunications Services - Not to Exceed
   $101,433,700]

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3 **Ordinance retroactively authorizing the Department of Technology and the Department**

4 **of Contract Administration to enter into the Second Amendment of an Agreement**

5 **between the City and AT&T for the City's telecommunications services by extending**

6 **the term of the agreement through March 1, 2016, and increasing the total not-to-**

7 **exceed amount of the agreement to $101,433,700.**

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

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

14   **Section 1. Background**. The Department of Technology (the "Department") procures

15 local and long distance telephone and data services for the City under an agreement with

16 AT&T (the "Agreement") that incorporates the State of California's CALNET2 agreement. The

17 CALNET 2 Agreement offers California public entities a purchasing vehicle for

18 telecommunications services at lower prices than the entities might be able to secure for

19 themselves individually.

20   By Ordinance 98-10, the City approved the Agreement for a term of four and one-half

21 years, beginning on March 1, 2010 and a maximum amount of $75,000,000. Ordinance 98-10

22 is on file with the Clerk of the Board of Supervisors in File No.100251 and is also available on

23 the Board's website.

24   The Agreement allows the City to purchase telecommunications services under the

25 best pricing available to public entities. The Agreement also allows non-profit agencies in San

1   Francisco to purchase telecommunication services directly from AT&T at the preferred pricing

2   available to the City. Under the Agreement, there are two additional one-year extensions

3   available upon request by the State of California. The State has requested an extension of

4   CalNet 2 in order to complete the rollout and ordering process for a successor agreement.

5   **Section 2. The Second Amendment.** The Second Amendment to the Agreement is

6   on file with the Clerk of the Board of Supervisors in File No. <u>141208</u>.   The Second

7   Amendment would extend the term of the Agreement through March 1, 2016, consistent with

8   the extension of CalNet 2. The Department has evaluated the needs of City Departments

9   through 2016 and has determined the two year extension will increase the not to exceed

10   amount of the Agreement by an additional $26,433,700.

11   **Section 3. <u>Authorizations:</u>** Section 9.118 of the San Francisco Charter

12   requires approval by the Board of Supervisors for leases with a term of ten years or more, and

13   for contracts in excess of ten years or requiring expenditures above ten million dollars.

14   (a)   The Board of Supervisors authorizes the Department and the Office of

15   Contract Administration execute the Second Amendment in substantially the form on file with

16   the Clerk of the Board of Supervisors, in File No. <u>141208</u> , extending the term of the

17   agreement to March 1, 2016 and and increasing the total not-to-exceed amount of the

18   agreement to $101,433,700.

19   **Section 4. Effective Date.** This ordinance shall become effective 30 days after

20   enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the

21   ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board

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1   of Supervisors overrides the Mayor's veto of the ordinance.

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

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By: _____
9   MARGARITA GUTIERREZ
         Deputy City Attorney   n:\telcom\as2014\9700242\00954084.doc
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