

File No. 220790

Committee Item No. 6

Board Item No. 13

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date September 28, 2022

Board of Supervisors Meeting

Date October 18, 2022

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OTHER (Use back side if additional space is needed)

- TIS Presentation 9/28/2022
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Completed by: Brent Jalipa

Date September 22, 2022

Completed by: Brent Jalipa

Date October 6, 2022

1 [Agreement Amendment- Cellco Partnership d/b/a Verizon Wireless - Wireless
2 Telecommunications Services - Total Not to Exceed \$30,626,500]

3 **Resolution authorizing the Department of Technology to enter into a First**
4 **Amendment with Cellco Partnership d/b/a Verizon Wireless to purchase wireless**
5 **telecommunication services with an increased amount of \$21,126,500 for a total not**
6 **to exceed amount of \$30,626,500 and extend the term by four years and one month for**
7 **a total term of seven years from June 1, 2020, through June 30, 2027, with one**
8 **three-year option to extend, pursuant to Charter, Section 9.118.**

9
10 WHEREAS, On June 16, 2020, the Department of Technology (“Department”)
11 entered into an agreement for the City and County of San Francisco (“City”) to purchase
12 wireless telecommunications services from Cellco Partnership d/b/a Verizon Wireless
13 (“Verizon Wireless”) using the competitive procurement process of the California Network and
14 Telecommunications (CALNET) Program, based upon the CALNET contract #C4-CVD-19-
15 001-03 (“Verizon Wireless Agreement”), pursuant to Administrative Code, Section 21.16(b);
16 and

17 WHEREAS, The Verizon Wireless Agreement had an initial term of three years
18 (through May 22, 2023) with two options to renew for an additional two years, and a not to
19 exceed amount of \$9,500,000; and

20 WHEREAS, At the same time the City entered into the Verizon Wireless Agreement,
21 the City entered into similar agreements with AT&T, AT&T FirstNet, Sprint, and T-Mobile,
22 so that City departments and employees authorized to use wireless telecommunications
23 services had other options; and

1 WHEREAS, In part due to the Covid-19 pandemic, City departments have authorized
2 more City employees to use wireless telecommunications services than the Department
3 anticipated when it entered into these agreements; and

4 WHEREAS, The Department has evaluated the City's needs for wireless
5 telecommunication services from Verizon Wireless during the term of the Verizon Wireless
6 Agreement; the Department has determined that the City's spending under the Verizon
7 Wireless Agreement during the term could be in excess of \$30,000,000; and

8 WHEREAS, The Department and Verizon Wireless have entered into a First
9 Amendment to the Verizon Wireless Agreement that will, among other things, extend the term
10 of the agreement until June 30, 2027 (with options to renew) and increase the not to exceed
11 amount to \$30,626,500; a copy of the First Amendment is on file with the Clerk of the Board of
12 Supervisors in File No. 220790; and

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

16 RESOLVED, That the Board of Supervisors approves the First Amendment to the
17 Verizon Wireless Agreement between the City and Verizon Wireless to allow City departments
18 to continue to purchase wireless telecommunication services from Verizon Wireless with an
19 increased amount of \$21,126,500 for a total not to exceed amount of \$30,626,500 and extend the
20 term by four years and one month for a total term of seven years from June 1, 2020, through
21 June 30, 2027, with one three-year option to extend; and, be it

22 FURTHER RESOLVED, That within 30 days of the First Amendment being fully
23 executed by the parties the Department of Technology shall provide a copy of it to the Clerk
24 of the Board for inclusion in the official file.

Item 6 File 22-0790	Department: Department of Technology
EXECUTIVE SUMMARY	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • The proposed resolution approves the first amendment to the contract between the Department of Technology (DT) and Cellco Partnerships (Verizon Wireless) for wireless telecommunications services, to extend the contract term from May 2023 to June 2027, with options to renew through June 2030, and to increase the not to exceed amount from \$9.5 million to \$30,626,500. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • The CALNET Program is managed by the State of California and provides competitively bid IT and cellular communications services contracts that are available to local government entities. In 2020, the Department of Technology entered into a CALNET agreement with Cellco Partnerships (Verizon Wireless) for a not-to-exceed amount of \$9.5 million from June 1, 2020 through May 22, 2023. The contract with Verizon is one of five similar contracts with other telecommunications providers in the City, including AT&T, T-Mobile, and Sprint. Total annual spending for the City's cell service in FY 2021-22 was \$9.6 million. • According to DT, the total number of employees across all departments (excluding Airport staff) using a City-issued cellular device from the portfolio of five carriers has increased from 13,643 in January 2020 to 18,353 in June 2022 due to the expansion of remote work. Current contract spending of approximately \$4 million per year has exceeded initial projections of approximately \$3.2 million per year. As of June 2022, \$8.25 million of the existing \$9.5 million Verizon contract has been expended. The Department projects total spending of \$12.03 million under the existing contract through May 2023, which exceeds the current contract value of \$9.5 million. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • As of July 2022, monthly spending on this contract is approximately \$343,200, and will eventually increase to an estimated \$401,495 by FY 2026-27. Costs are funded by a mix of General Fund and other funds. The Department of Technology charges departments on a quarterly basis, based on their actual costs. <p style="text-align: center;">Policy Consideration</p> <ul style="list-style-type: none"> • In July 2020, the City Administrator issued a memo establishing new policies to terminate cellular phone accounts that have been inactive for 60 days and no established business need, and to update plans to maximize savings to the City. Separately from consideration of the proposed resolution, the Board may consider building on this policy to establish additional citywide cellular device usage policies that apply to all departments in order to control costs. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed resolution. 	

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND

CALNET Program

The California Network and Telecommunications (CALNET) Program, managed by the State Department of Technology, provides competitively bid contracts with standardized service levels for information technology and communication services that may be used by State and local governments. The City has a CALNET landline telephone agreement with AT&T through June 2028 (File 21-1089). Contracting through the CALNET Program is permissible under Administrative Code Section 21.16(b), which allows the City to rely on the competitive procurement of other public agencies when purchasing commodities or services.

Citywide Cellular Service

In September 2019, the State of California announced the award of the CALNET Cellular Voice and Data Services Contract, to replace the previous cooperative contract for cellular services being used by the State, the National Association of State Procurement Officials (NASPO) Contract. At that time, the City was also participating in the NASPO Contract by way of the State's participation in the contract. During the State's transition from the existing NASPO contract to CALNET for cellular services, the City considered multiple options for cellular services, including:

- Continue receiving cellular services through the existing NASPO contract until expiration of the State's agreement with NASPO on December 31, 2020;
- Migrate with state agencies onto the CALNET contracts; or,
- Enter into a new NASPO contract led by the lead state of Utah.

Analysis conducted by the Department of Technology determined that the City would receive the most favorable rates and plan options through the CALNET contract, primarily due to lower per-line connection fees. The Department of Technology, on behalf of the City, became a participant in the CALNET cellular program in June 2020 by entering into a CALNET agreement with Celco Partnerships (Verizon Wireless). The agreement allows the City to purchase cellular and data services from Verizon Wireless under reduced pricing provided by Verizon Wireless to state and local agencies through CALNET. The CALNET program secures competitively bid telecommunications contracts that can be used by both state and local agencies. CALNET contracts are available to local government entities, school districts, and State agencies. Benefits of participation in the state's CALNET program includes no service termination fees, no required

minimum spending or minimum purchase amount, and substantially lower rates than similarly situated public customers.

In June 2020, the Department of Technology entered into an initial contract with Verizon Wireless for a not-to-exceed amount of \$9,500,000 from June 1, 2020 through May 22, 2023, for the purchase of cellular voice and data services.

A Portfolio of Cellular Service Contracts

The master contract with Verizon Wireless is one of five similar contracts with other telecommunications services providers and allows the City to benefit from reduced rates and favorable terms via participation in the State of California's Integrated Telecommunications Network Program (CALNET) for Cellular Voice and Data Services. In addition to the proposed amended agreement with Verizon Wireless, the City has agreements with the following providers for cellular services:

- AT&T First Net (for first responders) for \$9 million, from June 2020 to October 2025,
- AT&T (for commercial cellular services) for \$9.5 million from June 2020 to May 2023,
- T-Mobile for \$5 million from June 2021 to June 2023
- Sprint for \$5 million from June 2021 to June 2023

Including service and equipment costs, the total annual spend for the City's cell service from the five vendors in FY 2021-22 was \$9.6 million. According to DT staff, the City has cellular services agreements with multiple providers in order to benefit from increased competition among vendors and to keep prices as low as possible. Each department chooses their own vendors and plans according to need. According to DT staff, some departments have staff with higher needs for a specific service (such as data or texting) or may need a specific carrier that has better coverage in a certain area.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution approves the first amendment to the contract between the Department of Technology and Cellco Partnership (doing business as Verizon Wireless) for the purchase of wireless telecommunication services, to extend the contract term from May 2023 to June 2027, with options to renew through June 2030, and to increase the amount from \$9,500,000 to \$30,626,500.

Projected Exhaustion of Contract Spending Authority

As of June 2022, \$8.25 million of the existing \$9.5 million contract amount has been expended. The Department projects total spending of \$12,025,200 under the existing contract term to May 2023, which exceeds the current contract value of \$9,500,000. Current contract spending of approximately \$4 million per year has exceeded initial projections of approximately \$3.2 million per year due to higher usage by City employees of City-issued cellular devices than the Department initially anticipated.

Services & Usage

The scope of the Verizon contract covers voice, text, and data plans via cellular network, as well as purchase of equipment such as cell phones, wireless cards, vehicle modems, and cellular monitoring devices (such as water meter controllers).

According to data provided by DT, on average between November 2019 and January 2020, the Verizon cellular contract paid for 6,707 cellular devices at a cost of \$34.96 per device per month. From November 2019 to January 2020, each device spent an average of 114 minutes of talk time, sent 48 text messages, and used 2.469 GB of data per month, on average. However, usage has likely increased as a result of the pandemic and expansion of remote work. As of June 2022, the Verizon cellular contract paid for 7,343 cellular devices at a cost of \$38.66 per device per month. Each device spent an average of 145 minutes, sent 172 text messages, and used 2.935 GB of data per month.

According to the Department, the total number of employees using a City-issued cellular device from the portfolio of five carriers has increased from 13,643 in January 2020 to 18,353 in June 2022 (a total increase of 4,710, or 35 percent). This total count includes all departments except Airport. Of the total, the cellular device count ordered from Verizon increased from 6,653 in January 2020 to 7,343 in June 2022 (an increase of 690, or 10 percent).

Citywide policy addressing the purchase of cellular services and equipment for City employees is limited. In July 2020, the City Administrator instructed DT to deactivate phones that have been inactive for 60 days, however each department makes its own determinations regarding the issuance of cellular devices for staff. Exhibit 1 below shows the number of active City-issued cellular devices in use as of July 2022 by department (excluding the Airport):

Exhibit 1: Cellular Device Count by Department, as of July 2022

Department	Total
Police	3,668
Municipal Transportation Agency	2,654
Public Utilities Commission	2,214
Human Services Agency	2,067
Public Health	1,577
Public Works	1,339
Fire	907
Recreation & Parks	764
Elections	522
Remaining depts with <500 phones each (33 departments)	2,496
Total	18,208

Source: Department of Technology

Note: Figures do not include the Airport.

As shown above, the Police Department has the highest number of issued cellular devices, with 3,668 total, followed by the Municipal Transportation Agency (MTA) with 2,654 devices and the Public Utilities Commission (PUC) with 2,214 devices. The remaining 33 departments, including the Sheriff's Department with 331 total cellular devices, each have less than 500 cell phones issued to staff. Of the 18,208 total employees using City-issued cellular devices, 7,343 employees (40 percent) receive services through Verizon.

CALNET Expiration

The proposed amended contract with Verizon Wireless is contingent on CALNET extending its underlying contract with Verizon Wireless, which allows for the favorable pricing and terms currently included in the City's contract. If the CALNET contract expires or is terminated prior to expiration of the City's agreement with Verizon Wireless, then the proposed amended agreement would also be terminated. According to DT, the base CALNET contract term with Verizon expires on June 30, 2023, with two optional two-year extensions that can be exercised by the State. According to DT staff, the State of California may exercise the options with very little notice in the week prior to the expiration of the initial term, which leaves the City with very little time to exercise the contract option accordingly and present to the Board. As such, the Department proposes to include four optional years in the base term of the proposed agreement with Verizon to ensure that there is no chance the contract will lapse due to delay in State action when it is time to exercise the extension option.

FISCAL IMPACT

Exhibit 2 below shows the actual spending of the existing \$9.5 million contract through May 2023 and projected spending for the proposed amended contract of \$30.6 million through June 2027.

Exhibit 2: Actual and Projected Spending on Verizon Wireless Contract

Actual Spending thru June 2022	8,250,000
FY 2022-23	4,118,400
FY 2023-24	4,283,136
FY 2024-25	4,454,461
FY 2025-26	4,632,640
FY 2026-27	4,817,945
Contingency*	69,917
Total Not to Exceed	30,626,500

Source: Department of Technology

*The contingency amount of \$69,917 represents a small (.2%) rounding figure made by the Department when developing projected spending estimates so that the not to exceed amount is rounded to the nearest hundred.

Department of Technology staff estimate that the monthly spend will increase by approximately four percent each year of the contract, allowing for any potential growth in any new cellular service orders and equipment purchase/upgrade by departments. Beginning in July 2022, the estimated monthly spend is approximately \$343,000, and will eventually increase to an estimated \$401,000 by the final year of the contract, FY 2026-27. The Department projects total spending of approximately \$30,626,500 under the amended contract (June 2020 – June 2027).

Source of Funding

Costs are funded by a mix of General Fund and other funds. The Department of Technology charges departments on a quarterly basis, based on their actual costs.

POLICY CONSIDERATION

As noted above, total spending on cell phones and other cellular devices in FY 2021-22 was \$9.6 million and 18,208 City staff (approximately 61 percent of the City workforce) have cellular devices. These devices include cell phones and cellular connections for PCs, laptops, and personal devices. While the Department of Technology identifies cost effective providers and plans, administers and oversees all cellular service contracts (except for the Airport), cell phone

equipment purchases, including usage and issuance decisions are made by individual departments.¹

In July 2020, the City Administrator issued a memo establishing new policies to terminate cellular phone accounts that have been inactive for 60 days and no established business need, and to update plans to maximize savings to the City. Separately from consideration of the proposed resolution, the Board may consider building on this policy to establish additional citywide cellular device usage policies that apply to all departments in order to control costs, such as limiting City-issued cell phones to certain job class families, duties, or functions.

RECOMMENDATION

Approve the proposed resolution.

¹ DT provides monthly reports on device usage for all City departments, so that departments notified which of their devices are currently active or inactive. The report is intended to provide a clear picture of devices that may be on the wrong rate plan, as well as devices that are inactive but are still incurring monthly service fees. Although DT has a policy to deactivate phones that remain inactive for 60 days, DT staff have indicated that sometimes departments with inactive devices will request that they not be deactivated. According to the Department of Technology, DT staff also work with each department to help them reduce costs, which may include helping departments switch to less expensive plans.



First Amendment to the Agreement with Verizon Wireless

To: Budget and Finance Committee
September 28, 2022

Hao Xie, DT Strategic Sourcing Manager



Overview

First Amendment to the existing agreement with Verizon Wireless

- ❑ Extend the contract term from three years to seven years and one month
- ❑ Increase the not-to-exceed amount from \$9.5M to \$30.6M (~\$4.5M/Year)
- ❑ No other change to the existing agreement

Contract for all City departments to use Verizon's cellular network

- ❑ Scope: voice, text and data plans through cell phones (56%) and other devices (44%, e.g., iPads, vehicle modems, mobile Wi-Fi hotspots, etc.)
- ❑ # of devices: 7,343, increased by 10% since the start of the pandemic
- ❑ Usage: 2.9GB of Data/month, increased by 19% since the start of the pandemic
- ❑ Average monthly cost: \$38.66/device, increased by 10% since the start of the pandemic



Benefits of Agreement

Savings

- ❑ Piggyback on State of California's CALNET volume purchase agreement, taking advantage of the collective buying power of the State
- ❑ "Most Favored Nation" clause – guarantees low rates

Efficiency

- ❑ One master contract for the entire City
- ❑ Leverage the extensive competitive solicitation process of the State

Other Benefits

- ❑ No commitment to minimum spend
- ❑ Month-to-month term, no early termination fees



First Amendment to the Agreement with Verizon Wireless

Any Questions?

**City and County of San Francisco
Office of Contract Administration
Purchasing Division**

First Amendment

THIS AMENDMENT (this “Amendment”) is made as of this 1st day of June, 2022, in San Francisco, California, by and between Celco Partnership d/b/a Verizon Wireless (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Director of the Office of Contract Administration.

Recitals

WHEREAS, City and Contractor have entered into the Agreement (as defined below); and
WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the term, increase the contract amount, and update standard contractual clauses; and

WHEREAS, on March 21, 2022, the Office of Contract Administration, approved the Department’s request, made under Administrative Code Section 21.16(b), to *continue* to leverage the competitive procurement of the California Network and Telecommunications (“CALNET”) Program and its resulting contract; and

WHEREAS, pursuant to S.F Charter section 9.118, the City’s Board of Supervisors approved this Agreement by Resolution XXX-XX on _____, 2022; and

WHEREAS, professional services are not included in the scope of this Agreement; and therefore there is no Local Business Entity (“LBE”) subcontracting participation requirement for this Agreement; and

WHEREAS, Contractor represents and warrants that it is qualified to perform the Services required by City as set forth under this Agreement; and

NOW, THEREFORE, Contractor and the City agree as follows:

Article 1 Definitions

The following definitions shall apply to this Amendment:

1.1 **Agreement.** The term “Agreement” shall mean the Agreement dated June 16, 2020 between Contractor and City.

Other Terms. Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

Article 2 Modifications of Scope to the Agreement

The Agreement is hereby modified as follows:

2.1 **Term of the Agreement.** Section 2 of the Agreement currently reads as follows:

2.1 The term of this Agreement shall commence on June 1, 2020 and expire on May 22, 2023, unless earlier terminated as otherwise provided herein.

2.2 The City has two options to renew the Agreement for a period of two years each. The City may extend this Agreement beyond the expiration date by exercising an option mutually agreed upon by both parties and by modifying this Agreement as provided in Section 11.5, "Modification of this Agreement."

Such section is hereby amended in its entirety to read as follows:

2.1 **Term.** The term of this Agreement shall commence on June 1, 2020 and expire on June 30, 2027, unless earlier terminated as otherwise provided herein.

2.2 **Renewal.** The City may have options to renew the Agreement for additional years if and when those additional option years are made available to the California Department of Technology in the future under the CALNET contract. The City may extend this Agreement beyond the expiration date by exercising an option mutually agreed upon by both parties and by modifying this Agreement as provided in Section 11.5, "Modification of this Agreement." In no event, however, will the term of this Agreement extend past June 20, 2030.

2.3 **Expiration or Sooner Termination of CALNET Contract.** If a CALNET Contract expires or is terminated prior to the expiration or sooner termination of this Agreement, then this Agreement shall likewise terminate with respect to the goods and services purchased using same, as of the effective date of the expiration or sooner termination of such CALNET Contract.

2.2 Payment. Section 3.3.1 of the Agreement currently reads as follows:

3.3.1 Payment. Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in the invoice that the Chief Information Officer for the City and County of San Francisco, in his or her reasonable discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed \$9,500,000. The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. A portion of payment may be withheld until conclusion of the Agreement if agreed to by both parties. In no event shall City be liable for interest or late charges for any late payments.

Such section is hereby amended in its entirety to read as follows:

3.3.1 Payment. Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediately preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in the invoice that the Chief Information Officer for the City and County of San Francisco, in his or her reasonable discretion, concludes has been satisfactorily performed. Payment shall be made

within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed \$30,626,500.00. The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. A portion of payment may be withheld until conclusion of the Agreement if agreed to by both parties. In no event shall City be liable for interest or late charges for any late payments.

Article 3 Updates of Standard Terms to the Agreement

The Agreement is hereby modified as follows:

3.1 Management of City Data and Confidential Information. *The following sections are hereby added and incorporated in Article 13 of the Agreement, adding to and replacing the previous Section 13.4 in its entirety and adding new Section 13.5:*

13.4 Management of City Data and Confidential Information.

13.4.1 Use of City Data and Confidential Information. Contractor agrees to hold City's Data received from, or collected on behalf of, the City, in strictest confidence. Contractor shall not use or disclose City's Data except as permitted or required by the Agreement or as otherwise authorized in writing by the City. Any work using, or sharing or storage of, City's Data outside the United States is subject to prior written authorization by the City. Access to City's Data must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. Contractor is provided a limited non-exclusive license to use the City Data solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing herein shall be construed to confer any license or right to the City Data or Confidential Information, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.

13.4.2 Disposition of Confidential Information. Upon request of City or termination or expiration of this Agreement, and pursuant to any document retention period required by this Agreement, Contractor shall promptly, but in no event later than thirty (30) calendar days, return all data given to or collected by Contractor on City's behalf, which includes all original media. Once Contractor has received written confirmation from City that City's Data has been successfully transferred to City, Contractor shall within ten (10) business days clear or purge all City Data from its servers, any hosted environment Contractor has used in performance of this Agreement, including its subcontractors environment(s), work stations that were used to process the data or for production of the data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five (5) business days of the purge. Secure disposal shall be accomplished by "clearing," "purging" or "physical destruction," in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88 or most current industry standard.

13.5 **Ownership of City Data.** The Parties agree that as between them, all rights, including all intellectual property rights, in and to the City Data and any derivative works of the City Data is the exclusive property of the City.

Article 4 Effective Date

Each of the modifications set forth in Articles 2 and 3 shall be effective on and after the date of this Amendment.

Article 5 Legal Effect

Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

CITY

Recommended by:

Linda Gerull
City Chief Information Officer
Executive Director, Dept of Technology

CONTRACTOR

Cellco Partnership dba Verizon Wireless

DocuSigned by:
Todd Loccisano
0B00E5219D09400...
Todd Loccisano
Vice President - Contract Management
10170 Junction Drive
Annapolis Junction, MD

Approved as to Form:

David Chiu
City Attorney

City Supplier number: 0000008698

By: _____
William Sanders
Deputy City Attorney

Approved:

Sailja Kurella
Director of the Office of Contract
Administration, and Purchaser

By: _____
Sailaja Kurella

**City and County of San Francisco
Office of Contract Administration
Purchasing Division
City Hall, Room 430
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102-4685**

**Agreement between the City and County of San Francisco and
Cellco Partnership, d/b/a Verizon Wireless**

This Agreement is made as of this 16th day of June, 2020, in the City and County of San Francisco ("City), State of California, by and between Cellco Partnership d/b/a Verizon Wireless ("Contractor") and City.

Recitals

WHEREAS, the Department of Technology ("Department") wishes to engage Contractor for certain telecommunication equipment and services including mobile handsets and tablets, with cellular local, long distance, data, and related applications; and,

WHEREAS, on March 20, 2020, the Office of Contract Administration, approved the Department's request, made under Administrative Code Section 21.16(b), to use the competitive procurement process of the California Network and Telecommunications (CALNET) Program, based upon the CALNET contract #C4-CVD-19-001-03 (attached hereto as Appendix A); and

WHEREAS, there is no Local Business Entity ("LBE") subcontracting participation requirement for this Agreement; and

WHEREAS, Contractor represents and warrants that it is qualified to perform the Services required by City as set forth under this Agreement; and

Now, THEREFORE, the parties agree as follows:

Article 1 Definitions

The following definitions apply to this Agreement:

1.1 "Agreement" means this contract document, including the CALNET contract for Cellular Voice and Data Services (Agreement Number C4-CVD-19-001-03, Category 19, Sub-Category 19.1- Cellular Business Services, Sub-Category 19.2- First Responders Cellular Services), all attached appendices, and all applicable City Ordinances and Mandatory City Requirements specifically incorporated into this Agreement by reference as provided herein.

1.2 "City" or "the City" means the City and County of San Francisco, a municipal corporation, acting by and through both its Director of the Office of Contract Administration or

the Director's designated agent, hereinafter referred to as "Purchasing" and the "Department of Technology" or "Department".

1.3 "CMD" means the Contract Monitoring Division of the City.

1.4 "Confidential Information" means confidential City information including, but not limited to, personally-identifiable information ("PII"), protected health information ("PHI"), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of part 164); and San Francisco Administrative Code Chapter 12M (Chapter 12M).

1.5 "Contractor" or "Consultant" means Cellco Partnership d/b/a Verizon Wireless.

1.6 "Deliverables" means Contractor's work product resulting from the Services provided by Contractor to City during the course of Contractor's performance of the Agreement, including without limitation, the work product described in Section 4.1.

1.7 "Effective Date" means the date upon which the City's Controller certifies the availability of funds for this Agreement as provided in Section 3.1.

1.8 "Mandatory City Requirements" means those City laws set forth in the San Francisco Municipal Code, including the duly authorized rules, regulations, and guidelines implementing such laws that impose specific duties and obligations upon Contractor.

1.9 "Party" and "Parties" mean the City and Contractor either collectively or individually.

1.10 "Services" means the work performed by Contractor under this Agreement as more specifically described in Section 4.1, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.

Article 2 Term of the Agreement

2.1 The term of this Agreement shall commence on June 1, 2020 and expire on May 22, 2023, unless earlier terminated as otherwise provided herein.

2.2 The City has two options to renew the Agreement for a period of two years each. The City may extend this Agreement beyond the expiration date by exercising an option mutually agreed upon by both parties and by modifying this Agreement as provided in Section 11.5, "Modification of this Agreement."

Article 3 Financial Matters

3.1 **Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation.** This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City's obligation hereunder shall not at any time exceed the

amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements, except as provided herein. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

3.2 Guaranteed Maximum Costs. The City's payment obligation to Contractor cannot at any time exceed the amount certified by City's Controller for the purpose and period stated in such certification. Absent an authorized Emergency per the City Charter or applicable Code, no City representative is authorized to offer or promise, nor is the City required to honor, any offered or promised payments to Contractor under this Agreement in excess of the certified maximum amount without the Controller having first certified the additional promised amount and the Parties having modified this Agreement as provided in Section 11.5, "Modification of this Agreement."

3.3 Compensation.

3.3.1 Payment. Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in the invoice that the Chief Information Officer for the City and County of San Francisco, in his or her reasonable discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed \$9,500,000. The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. A portion of payment may be withheld until conclusion of the Agreement if agreed to by both parties. In no event shall City be liable for interest or late charges for any late payments.

3.3.2 Payment Limited to Satisfactory Services. Contractor is not entitled to any payments from City until the Department of Technology approves Services, including any furnished Deliverables, as satisfying all of the requirements of this Agreement. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory Deliverables, including equipment, components, materials, or Services even if the unsatisfactory character of such Deliverables, equipment, components, materials, or Services may not have been apparent or detected at the time such payment was made. Deliverables, equipment, components, materials and Services that do not conform to the requirements of this Agreement may be rejected by City and in such case must be replaced by Contractor without delay at no cost to the City.

3.3.3 Withhold Payments. If Contractor fails to provide Services in accordance with Contractor's obligations under this Agreement, the City may withhold any and

all payments due Contractor until such failure to perform is cured, and Contractor shall not stop work as a result of City's withholding of payments as provided herein.

3.3.4 Invoice Format. Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller and City, and must include a unique invoice number. Payment shall be made by City as specified in 3.3.6 or in such alternate manner as the Parties have mutually agreed upon in writing.

3.3.5 LBE Payment and Utilization Tracking System. Reserved

3.3.6 Getting paid by the City for goods and/or services.

(a) All City vendors receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments through the City's Automated Clearing House (ACH) payments service/provider. Electronic payments are processed every business day and are safe and secure. To sign up for electronic payments, visit www.sfgov.org/ach.

(b) The following information is required to sign up: (i) The enroller must be their company's authorized financial representative, (ii) the company's legal name, main telephone number and physical and remittance addresses used by the company, (iii) the company's U.S. federal employer identification number (EIN) or Social Security number (if they are a sole proprietor), and (iv) the company's bank account information, including routing and account numbers.

3.4 Audit and Inspection of Records. Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its Services. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not fewer than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any Federal agency having an interest in the subject matter of this Agreement shall have the same rights as conferred upon City by this Section. Contractor shall include the same audit and inspection rights and record retention requirements in all subcontracts.

3.5 Submitting False Claims. The full text of San Francisco Administrative Code Chapter 21, Section 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Pursuant to San Francisco Administrative Code §21.35, any contractor or subcontractor who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A contractor or subcontractor will be deemed to have submitted a false claim to the City if the contractor or subcontractor: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the

City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

3.6 **Payment of Prevailing Wages. Reserved.**

Article 4 Services and Resources

4.1 **Services Contractor Agrees to Perform.** All Services obtained by City and provided by Contractor during the Term shall be provided to the City under the CALNET Cellular Voice and Data Services Agreement Number C4-CVD-19-001-03 and the CDT CALNET Category 19.1 and Category 19.2 Contract with Contractor (“CALNET Contract”), and will be so obtained and provided in accordance with the corresponding terms and conditions of that CALNET Contract. The CALNET Contract is located at, <https://cdt.ca.gov/services/calnet-services/>, and attached hereto as Appendix A. The terms and conditions of the CALNET Contract are incorporated by reference into Agreement. Contractor will supply only the equipment authorized by City, as indicated by City’s cellular program administrator (“Administrator”). Any expansion or substitution in program administrative duties, authorities, or any change in Administrator will be communicated by City’s Department of Technology via email to Contractor. Contractor shall maintain an online self-service portal for the City to order cellular services and mobile equipment. The online portal shall include only the equipment and cellular voice, text, and data plans pre-authorized by the City’s Administrator via email.

4.2 **Qualified Personnel.** Contractor shall utilize only competent personnel under the supervision of, and in the employment of, Contractor (or Contractor's authorized subcontractors) to perform the Services. Contractor will comply with City’s reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City’s request, must be supervised by Contractor or its authorized subcontractors. Contractor shall commit adequate resources to allow timely completion within the project schedule specified in this Agreement.

4.3 **Subcontracting.**

4.3.1 Contractor may subcontract portions of the Services only upon prior written approval of City. City acknowledges and agrees that this subsection does not apply to Contractor’s Affiliates (control, controlled by, or under common control with Contractor). Contractor is responsible for its subcontractors throughout the course of the work required to perform the Services. All Subcontracts must incorporate the terms of Article 10 “Additional Requirements Incorporated by Reference” of this Agreement, unless inapplicable. Neither Party shall, on the basis of this Agreement, contract on behalf of, or in the name of, the other Party. Any agreement made in violation of this provision shall be null and void.

4.4 **Independent Contractor; Payment of Employment Taxes and Other Expenses.**

4.4.1 **Independent Contractor.** For the purposes of this Section 4.4, "Contractor" shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor acknowledges and agrees that at all times, Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold

themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement.

4.4.2 Payment of Employment Taxes and Other Expenses. Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to this Section 4.4 shall be solely limited to the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City.

4.5 Assignment. The Services to be performed by Contractor are personal in character. Neither this Agreement, nor any duties or obligations hereunder, may be assigned or delegated by Contractor (collectively referred to as an "Assignment") unless first approved by City by written instrument executed and approved in the same manner as this Agreement in accordance with the Administrative Code. Any purported Assignment made in violation of this provision shall be null and void.

4.6 Warranty. See CALNET contract #C4-CVD-19-001-03, General Provisions, Section 22 (attached hereto as Appendix A).

4.7 Liquidated Damages. Reserved.

4.8 Bonding Requirements. Reserved.

Article 5 Insurance and Indemnity

5.1 Insurance.

5.1.1 Required Coverages. Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

(a) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and

(b) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

(c) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

(d) Professional Liability Insurance, applicable to Contractor's profession, with limits not less than \$1,000,000 for each claim with respect to negligent acts, errors or omissions in connection with the Services.

(e) Technology Errors and Omissions Liability coverage, with limits of \$1,000,000 for each claim and each loss. The policy shall at a minimum cover professional misconduct or lack of the requisite skill required for the performance of services defined in the contract and shall also provide coverage for the following risks:

(i) Network security liability arising from the unauthorized access to, use of, or tampering with computers or computer systems, including hacker attacks; and

(ii) Liability arising from the introduction of any form of malicious software including computer viruses into, or otherwise causing damage to the City's or third person's computer, computer system, network, or similar computer related property and the data, software, and programs thereon.

5.1.2 Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

5.1.3 Contractor's Commercial General Liability and Commercial Automobile Liability Insurance policies shall provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that the insurance applies separately to each insured against whom claim is made or suit is brought.

5.1.4 All policies shall be endorsed to provide thirty (30) days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in Section 11.1, entitled "Notices to the Parties."

5.1.5 Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

5.1.6 Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or

legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

5.1.7 Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

5.1.8 Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California.

5.1.9 The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

5.1.10 If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

5.2 Indemnification. Contractor shall defend, indemnify and hold harmless City and its officers, agents and employees from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts not in accordance with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except to the extent such loss, damage, injury, liability or claim is solely the result of the active negligence or willful misconduct of City. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter.

Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent

rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons arising directly or indirectly from the receipt by City, or any of its officers or agents, of Contractor's Services.

Article 6 Liability of the Parties

6.1 Liability of City. CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 3.3.1, "PAYMENT," OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

6.2 Liability for Use of Equipment. City shall not be liable for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or any of its subcontractors, or by any of their employees, even though such equipment is furnished, rented or loaned by City.

Article 7 Payment of Taxes

7.1 Contractor to Pay All Taxes. Except for any applicable California sales and use taxes charged by Contractor to City, Contractor shall pay all taxes, including possessory interest taxes levied upon or as a result of this Agreement, or the Services delivered pursuant hereto. Contractor shall remit to the State of California any sales or use taxes paid by City to Contractor under this Agreement. Contractor agrees to promptly provide information requested by the City to verify Contractor's compliance with any State requirements for reporting sales and use tax paid by City under this Agreement.

7.2 Possessory Interest Taxes. Contractor acknowledges that this Agreement may create a "possessory interest" for property tax purposes. Generally, such a possessory interest is not created unless the Agreement entitles the Contractor to possession, occupancy, or use of City property for private gain. If such a possessory interest is created, then the following shall apply:

7.2.1 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that Contractor, and any permitted successors and assigns, may be subject to real property tax assessments on the possessory interest.

7.2.2 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a "change in ownership" for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by Revenue and Taxation Code section 480.5, as amended from time to time, and any successor provision.

7.2.3 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change of ownership of the

possessory interest and result in the revaluation of the possessory interest. (see, e.g., Rev. & Tax. Code section 64, as amended from time to time). Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.

7.2.4 Contractor further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements for possessory interests that are imposed by applicable law.

7.3 **Withholding.** Contractor agrees that it is obligated to pay all amounts due to the City under the San Francisco Business and Tax Regulations Code during the term of this Agreement. Pursuant to Section 6.10-2 of the San Francisco Business and Tax Regulations Code, Contractor further acknowledges and agrees that City may withhold any payments due to Contractor under this Agreement if Contractor is delinquent in the payment of any amount required to be paid to the City under the San Francisco Business and Tax Regulations Code. Any payments withheld under this paragraph shall be made to Contractor, without interest, upon Contractor coming back into compliance with its obligations.

Article 8 Termination and Default

8.1 Termination for Convenience

8.1.1 City shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. City shall exercise this option by giving Contractor written notice of termination. The notice shall specify the date on which termination shall become effective.

8.1.2 Upon receipt of the notice of termination, Contractor shall commence and perform, with diligence, all actions necessary on the part of Contractor to effect the termination of this Agreement on the date specified by City and to minimize the liability of Contractor and City to third parties as a result of termination. All such actions shall be subject to the prior approval of City. Such actions may include any or all of the following, without limitation:

(a) Halting the performance of all Services under this Agreement on the date(s) and in the manner specified by City.

(b) Terminating all existing orders and subcontracts, and not placing any further orders or subcontracts for materials, Services, equipment or other items.

(c) Subject to City's approval, settling all outstanding liabilities and all claims arising out of the termination of orders and subcontracts.

(d) Completing performance of any Services that City designates to be completed prior to the date of termination specified by City.

(e) Taking such action as may be necessary, or as the City may direct, for the protection and preservation of any property related to this Agreement which is in the possession of Contractor and in which City has or may acquire an interest.

8.1.3 Within 45 days after the specified termination date, Contractor shall submit to City an invoice, which shall set forth each of the following as a separate line item:

(a) The cost for Services as specified in the Contract that were delivered prior to the specified termination date for which the City has not already tendered payment.

8.1.4 In no event shall City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by City that Contractor may reasonably have avoided.

8.1.5 In arriving at the amount due to Contractor under this Section, City may deduct: (i) all payments previously made by City for Services covered by Contractor’s final invoice; and (ii) any claim which City may have against Contractor in connection with this Agreement.

8.1.6 City’s payment obligation under this Section shall survive termination of this Agreement.

8.2 Termination for Default; Remedies.

8.2.1 Each of the following shall constitute an immediate event of default (“Event of Default”) under this Agreement:

(a) Contractor fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement or, where applicable, Contractor fails to cure any default after receiving notice from the City:

3.5	Submitting False Claims.	10.10	Alcohol and Drug-Free Workplace
4.5	Assignment	10.	Working with Minors
Article 5	Insurance and Indemni	11.	Compliance with Laws
Article 7	Payment of Taxes	Article 13	Data and Security

(b) Either party fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, including any obligation imposed by ordinance or statute and incorporated by reference herein, and such default is not cured within thirty days after written notice thereof from the other.

(c) Either party (i) is generally not paying its debts as they become due; (ii) files, or consents by answer or otherwise to the filing against it of a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors’ relief law of any jurisdiction; (iii) makes an assignment for the benefit of its creditors; (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Contractor or of any substantial part of its property; or (v) takes action for the purpose of any of the foregoing.

(d) A court or government authority enters an order (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor’s property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors’ relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Contractor.

8.2.2 On and after any Event of Default not cured by Contractor within 30 days of the City's written notice, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor: (i) all damages, losses, costs or expenses incurred by City as a result of an Event of Default; and (ii) any liquidated damages levied upon Contractor pursuant to the terms of this Agreement; and (iii), any damages imposed by any ordinance or statute that is incorporated into this Agreement by reference.

8.2.3 All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.

8.2.4 Any notice of default must be sent by registered mail to the address set forth in Article 11.

8.3 **Non-Waiver of Rights.** The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.

8.4 **Rights and Duties upon Termination or Expiration.**

8.4.1 This Section and the following Sections of this Agreement listed below, shall survive termination or expiration of this Agreement:

3.3.2	Payment Limited to Satisfactory Services		
3.3.7(a)	Grant Funded Contracts – Disallowance		
3.4	Audit and Inspection of Records	11.6	Dispute Resolution Procedure
3.5	Submitting False Claims	11.7	Agreement Made in California; Venue
Article 5	Insurance and Indemnity	11.8	Construction
6.1	Liability of City	11.9	Entire Agreement
		11.10	Compliance with Laws
Article 7	Payment of Taxes	11.11	Severability
8.1.6	Payment Obligation	Article 13	Data and Security

8.4.2 Subject to the survival of the Sections identified in Section 8.4.1, above, if this Agreement is terminated prior to expiration of the term specified in Article 2, this Agreement shall be of no further force or effect. Contractor shall deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies,

equipment, and other deliverables required in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City.

Article 9 Rights In Deliverables

9.1 **Ownership of Results. Reserved.**

9.2 **Works for Hire. Reserved.**

Article 10 Additional Requirements Incorporated by Reference

10.1 **Laws Incorporated by Reference.** The full text of the laws listed in this Article 10, including enforcement and penalty provisions, are incorporated by reference into this Agreement. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Article and elsewhere in the Agreement ("Mandatory City Requirements") are available at http://www.amlegal.com/codes/client/san-francisco_ca/.

10.2 **Conflict of Interest.** By executing this Agreement, Contractor certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City's Charter; Article III, Chapter 2 of City's Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 *et seq.*), or Title 1, Division 4, Chapter 1, Article 4 of the California Government Code (Section 1090 *et seq.*), and further agrees promptly to notify the City if it becomes aware of any such fact during the term of this Agreement.

10.3 **Prohibition on Use of Public Funds for Political Activity.** In performing the Services, Contractor shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Contractor is subject to the enforcement and penalty provisions in Chapter 12G.

10.4 **Consideration of Salary History.** Contractor shall comply with San Francisco Administrative Code Chapter 12K, the Consideration of Salary History Ordinance or "Pay Parity Act." Contractor is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Contractor is required to comply with all of the applicable provisions of 12K, irrespective of the listing of obligations in this Section.

10.5 **Nondiscrimination Requirements.**

10.5.1 **Non Discrimination in Contracts.** Contractor shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. Contractor shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply

with such provisions. Contractor is subject to the enforcement and penalty provisions in Chapters 12B and 12C.

10.5.2 Nondiscrimination in the Provision of Employee Benefits. San Francisco Administrative Code 12B.2. Contractor does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.

10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance. Reserved.

10.7 Minimum Compensation Ordinance. Reserved.

10.8 Health Care Accountability Ordinance. If Administrative Code Chapter 12Q applies to this contract, Contractor shall comply with the requirements of Chapter 12Q. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of the Chapter 12Q, as well as the Health Commission's minimum standards, is available on the web at <http://sfgov.org/olse/hcao>. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q. Any Subcontract entered into by Contractor shall require any Subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

10.9 First Source Hiring Program. Contractor must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, that apply to this Agreement, and Contractor is subject to the enforcement and penalty provisions in Chapter 83.

10.10 Alcohol and Drug-Free Workplace. City reserves the right to deny access to, or require Contractor to remove from, City facilities personnel of any Contractor or subcontractor who City has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs City's ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. City shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

10.11 Limitations on Contributions. By executing this Agreement, Contractor acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (i) a City

elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves, (ii) a candidate for that City elective office, or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10% in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor must inform each such person of the limitation on contributions imposed by Section 1.126.

10.12 Slavery Era Disclosure. Reserved.

10.13 Working with Minors. Reserved.

10.14 Consideration of Criminal History in Hiring and Employment Decisions.

10.14.1 Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T, "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code ("Chapter 12T"), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

10.14.2 The requirements of Chapter 12T shall only apply to a Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

10.15 Public Access to Nonprofit Records and Meetings. Reserved.

10.16 Food Service Waste Reduction Requirements. Reserved

10.17 Distribution of Beverages and Water. Reserved.

10.18 Tropical Hardwood and Virgin Redwood Ban. Reserved.

10.19 Preservative Treated Wood Products. Reserved.

Article 11 General Provisions

11.1 **Notices to the Parties.** Unless otherwise indicated in this Agreement, all written communications sent by the Parties may be by U.S. mail or e-mail, and shall be addressed as follows:

To City: Michael Magliulo
1 South Van Ness Ave., 2nd Floor
San Francisco, CA 94103-0948
628-652-5077
michael.magliulo@sfgov.org

With a copy to:
City and County of San Francisco
Department of Technology
Contract Administration
One South Van Ness Ave., 2nd Floor
San Francisco, CA 94103
DTContracts@sfgov.org

To Contractor: Verizon Wireless
10170 Junction Drive
Annapolis Junction, MD 20701
(Director, State and Local Government Contracting)

With a copy to:
Verizon Wireless
Attn: Mr. Chris Rock
National Account Manager - Government
Tel: 916-599-3003
Chris.Rock@verizonwireless.com

Any notice of default must be sent by registered mail. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party. If email notification is used, the sender must specify a receipt notice.

11.2 Compliance with Americans with Disabilities Act. Reserved.

11.3 Incorporation of Recitals. The matters recited above are hereby incorporated into and made part of this Agreement.

11.4 Sunshine Ordinance. Contractor acknowledges that this Agreement and all records related to its formation, Contractor's performance of Services, and City's payment are subject to the California Public Records Act, (California Government Code §6250 et. seq.), and the San Francisco Sunshine Ordinance, (San Francisco Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state or local law.

11.5 Modification of this Agreement. This Agreement may not be modified, nor may compliance with any of its terms be waived, except as noted in Section 11.1, "Notices to Parties," regarding change in personnel or place, and except by written instrument executed and approved in the same manner as this Agreement. Contractor shall cooperate with Department to submit to the Director of CMD any amendment, modification, supplement or change order that would result in a cumulative increase of the original amount of this Agreement by more than 20% (CMD Contract Modification Form).

11.6 **Dispute Resolution Procedure.**

11.6.1 **Negotiation; Alternative Dispute Resolution.** The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement. If the Parties are unable to resolve the dispute, then, pursuant to San Francisco Administrative Code Section 21.36, Contractor may submit to the Contracting Officer a written request for administrative review and documentation of the Contractor's claim(s). Upon such request, the Contracting Officer shall promptly issue an administrative decision in writing, stating the reasons for the action taken and informing the Contractor of its right to judicial review. If agreed by both Parties in writing, disputes may be resolved by a mutually agreed-upon alternative dispute resolution process. If the parties do not mutually agree to an alternative dispute resolution process or such efforts do not resolve the dispute, then either Party may pursue any remedy available under California law. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations under this Agreement in accordance with the Agreement and the written directions of the City. Neither Party will be entitled to legal fees or costs for matters resolved under this section.

11.6.2 **Government Code Claim Requirement.** No suit for money or damages may be brought against the City until a written claim therefor has been presented to and rejected by the City in conformity with the provisions of San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq. Nothing set forth in this Agreement shall operate to toll, waive or excuse Contractor's compliance with the California Government Code Claim requirements set forth in San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq.

11.7 **Agreement Made in California; Venue.** The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

11.8 **Construction.** All paragraph captions are for reference only and shall not be considered in construing this Agreement.

11.9 **Entire Agreement.** This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. This Agreement may be modified only as provided in Section 11.5, "Modification of this Agreement."

11.10 **Compliance with Laws.** Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and duly adopted rules and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

11.11 **Severability.** Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (i) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (ii) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

11.12 Cooperative Drafting. This Agreement has been drafted through a cooperative effort of City and Contractor, and both Parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No Party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the Party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

11.13 Order of Precedence. Contractor agrees to perform the Services described in Section 4.1 in accordance with the terms and conditions of this Agreement. If the Appendices to this Agreement include any standard printed terms from the Contractor, Contractor agrees that in the event of discrepancy, inconsistency, gap, ambiguity, or conflicting language between the City's terms and Contractor's printed terms attached, the City's terms shall take precedence, followed by the CALNET Contract. In avoidance of any doubt, the Parties agree that, pursuant to Section 43 (Contract Modification) of the CALNET Contract's General Provisions (the "General Provisions"), the provisions of this Agreement are amendments to the General Provisions that apply only to the City. Nothing in this Section is intended to amend the General Provisions with respect to the State of California or any entity that signs an Authorization to Order other than the City. In the event the foregoing fails as a matter of contract interpretation under applicable law, then the parties agree that this Agreement shall constitute a Scope of Work under the CALNET Contract and shall be incorporated by this reference into each Service order placed under such Scope of Work.

11.14 Notification of Legal Requests. Contractor shall immediately notify City upon receipt of any subpoenas, service of process, litigation holds, discovery requests and other legal requests ("Legal Requests") related to all data given to Contractor by City in the performance of this Agreement ("City Data" or "Data"), which for the avoidance of doubt excludes data that Contractor generally collects or processes in the course of delivering its services, or which in any way might reasonably require access to City's Data, and in no event later than 24 hours after it receives the request. Contractor shall retain and preserve City Data in accordance with the City's instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by the City to Contractor, independent of where the City Data is stored.

Article 12 Department Specific Terms

12.1 Reserved.

Article 13 Data and Security

13.1 Nondisclosure of Private, Proprietary or Confidential Information.

13.1.1 Protection of Private Information. If this Agreement requires City to disclose "Private Information" to Contractor within the meaning of San Francisco Administrative Code Chapter 12M, Contractor and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.

13.1.2 Confidential Information. In the performance of Services, Contractor may have access to City's proprietary or Confidential Information, the disclosure of which to third parties may damage City. If City discloses proprietary or Confidential Information to Contractor, such information must be held by Contractor in confidence and used only in

performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or Confidential Information.

13.2 Payment Card Industry (“PCI”) Requirements. Reserved.

13.3 Business Associate Agreement. Reserved.

13.4 Management of City Data and Confidential Information

13.4.1 Access to City Data. City shall at all times have access to and control of all data given to Contractor by City in the performance of this Agreement (“City Data” or “Data”), and shall be able to retrieve it in a readable format, in electronic form and/or print, at any time, at no additional cost.

13.4.2 Use of City Data and Confidential Information. Contractor agrees to hold City's Confidential Information received from or created on behalf of the City in strictest confidence. Contractor shall not use or disclose City's Data or Confidential Information except as permitted or required by law, the Agreement or as otherwise authorized in writing by the City. Any work using, or sharing or storage of, City's Confidential Information outside the United States is subject to prior written authorization by the City. Access to City's Confidential Information must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. Contractor is provided a limited non-exclusive license to use the City Data or Confidential Information solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing herein shall be construed to confer any license or right to the City Data or Confidential Information, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data or Confidential Information by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase “unauthorized use” means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.

Article 14 MacBride And Signature

14.1 MacBride Principles - Northern Ireland. The provisions of San Francisco Administrative Code §12F are incorporated herein by this reference and made part of this Agreement. By signing this Agreement, Contractor confirms that Contractor has read and understood that the City urges companies doing business in Northern Ireland to resolve employment inequities and to abide by the MacBride Principles, and urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.

CITY

CONTRACTOR

Recommended by:

Cellco Partnership dba Verizon Wireless

DocuSigned by:
Linda Gerull
5F172D9980A04F7...

DocuSigned by:
Todd Loccisano
CD86E5219D09460...

Linda Gerull
City Chief Information Officer
Executive Director, Department of Technology

Todd Loccisano
Executive Director, Enterprise and
Government
10170 Junction Drive
Annapolis Junction, MD

City Supplier Number: 0000758899

Approved as to Form:

Dennis J. Herrera
City Attorney

By: *William Sanders*
C2F0C304E8E846C...
William Sanders
Deputy City Attorney

Approved:

Sailaja Kurella
Acting Director of the Office of Contract
Administration, and Purchaser

By: *Taraneh Moayed*
9AFA44694D514E7...
Taraneh Moayed

Appendices

- A: CALNET Cellular Voice and Data Services Agreement Number C4-CVD-19-001-03
- B: Calculation of Charges

Appendix A
CALNET Cellular Voice and Data Services Agreement
Number C4-CVD-19-001-03

CALENT contract can be found at:

<https://cdt.ca.gov/services/calnet-services/>

General Provisions – CALNET IFB C4CVD18 - Appendix A-1 for Category 19 CALNET Cellular Voice and Data Services Subcategory 19.1 Cellular Voice and Data Services and Subcategory 19.2 First Responders Cellular Services Addendum 5:

<https://cdt.ca.gov/services/wp-content/uploads/sites/2/sites/2/2019/11/CALNET-General-Provisions-CALNET-Cellular-Addm-5-20190103.pdf>

IFB C4CVD18 for Category 19 CALNET Cellular Voice and Data Services Subcategory 19.1 Cellular Business Services and Subcategory 19.2 First Responders Cellular Services Statement of Work SOW Business Requirements:

<https://cdt.ca.gov/services/wp-content/uploads/sites/2/sites/2/2019/09/CALNET-IFB-CELL-Business-Requirements.pdf>

**Appendix B
Calculation of Charges**

**CALNET Cellular Voice and Data Services Agreement
Number C4-CVD-19-001-03**

Catalog B: Subcategory 19.1 Cellular Business

<https://enterprise.verizon.com/content/dam/r3s0u4c3s/public-sector/state-local/contracts/ca-wireless/products/wireless-cat-b-19.1.pdf>

Catalog B: Subcategory 19.2 First Responder Cellular Business

<https://enterprise.verizon.com/content/dam/r3s0u4c3s/public-sector/state-local/contracts/ca-wireless/products/wireless-cat-b-19.2.pdf>

Schedule A: Customized Service Plan (CSP) for Subcategory 19.1

<https://enterprise.verizon.com/content/dam/r3s0u4c3s/public-sector/state-local/contracts/ca-wireless/products/csp-verizon-schedule-a-19.1.pdf>

Schedule A: Customized Service Plan (CSP) for Subcategory 19.2

<https://enterprise.verizon.com/content/dam/r3s0u4c3s/public-sector/state-local/contracts/ca-wireless/products/csp-verizon-schedule-a-19.2.pdf>

ADMINISTRATION

DT must be notified by email to Michael.Magliulo@sfgov.org before any of the following services are performed:

- 3d Party Billings, e.g. costs or charges passed to City by any party other than Contractor.
- Installations at any City site, or City-owned or –operated property outside the City limits, including but not limited to reservoir or pipeline areas, airport(s), recreation facilities, medical clinics, hospitals, or criminal justice facilities.
- Orders over 100 units.
- Any off-list equipment that is not on the agreed-upon equipment list.
- Orders placed by non-authorized City users (Michael Magliulo maintains the City’s authorized user list).
- Any changes or updates to Raw Data Download files that City processes for billing purposes.
- Monthly Usage Report cost per line (i.e. voice/data/text/total cost).
- Weekly activation report listing all new activations during the preceding week.
- Quarterly account summary with details itemized as follows for each City department:
 - Non-use (voice/data/text) if applicable to any subscriber
 - High usage (voice/data/text) for each subscriber



San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

ethics.commission@sfgov.org . www.sfethics.org

Received On:

File #: 220790

Bid/RFP #:

Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

1. FILING INFORMATION

TYPE OF FILING	DATE OF ORIGINAL FILING (for amendment only)
Original	
AMENDMENT DESCRIPTION – Explain reason for amendment	

2. CITY ELECTIVE OFFICE OR BOARD

OFFICE OR BOARD	NAME OF CITY ELECTIVE OFFICER
Board of Supervisors	Members

3. FILER'S CONTACT

NAME OF FILER'S CONTACT	TELEPHONE NUMBER
Angela Calvillo	415-554-5184
FULL DEPARTMENT NAME	EMAIL
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

4. CONTRACTING DEPARTMENT CONTACT

NAME OF DEPARTMENTAL CONTACT	DEPARTMENT CONTACT TELEPHONE NUMBER
Fan-wa Wong	628-652-5251
FULL DEPARTMENT NAME	DEPARTMENT CONTACT EMAIL
TIS Department of Technology	fan-wa.wong@sfgov.org

5. CONTRACTOR	
NAME OF CONTRACTOR Cellco Partnership, d/b/a Verizon Wireless	TELEPHONE NUMBER 510 -421-1111
STREET ADDRESS (including City, State and Zip Code) One Verizon Way Basking Ridge, NJ 07920	EMAIL Brenda.cotton@verizonwireless.co

6. CONTRACT		
DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)	ORIGINAL BID/RFP NUMBER	FILE NUMBER (If applicable) 220790
DESCRIPTION OF AMOUNT OF CONTRACT \$30,626.500		
NATURE OF THE CONTRACT (Please describe) DT maintains a citywide master agreement (MA) with Verizon Wireless for the provision of cellular service and related equipment. Since 2020, this master agreement has leveraged the favorable volume pricing from the State of California's Integrated Telecommunications Network Agreement (known as the CALNET program). The Department of Technology (DT) wishes to continue the purchase of wireless services from Verizon Wireless under the State of California's CALNET Next Generation program. The State of CA's CALNET NextGen contracts with Verizon Wireless will expire on 6/30/2023 and includes 2 options to extend for a total of 4 additional years.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Vestberg/Board of Director	Hans	CEO
2	Otis/Board of Directors	Clarence	Board of Directors
3	Archambeau/Board of Direct	Shellye	Board of Directors
4	Austin/Board of Directors	Roxanne	Board of Directors
5	Bertolini/Board of Directo	Mark	Board of Directors
6	Healey/Board of Directors	Melanie	Board of Directors
7	Narasimhan/Board of Direct	Laxman	Board of Directors
8	Chulman/Board of Directors	Daniel	Board of Directors
9	Slater/Board of Directors	Rodney	Board of Directors
10	Tome/Board of Directors	Carol	Board of Directors
11	Weaver/Board of Directors	Gregory	Board of Directors
12	Ellis/Verizon Executive Le	Matthew	Other Principal Officer
13	Erwin/Verizon Executive Le	Tami	Other Principal Officer
14	Hammock/Verizon Executive	Samantha	Other Principal Officer
15	Gerace/Verizon Executive L	James	Other Principal Officer
16	Malady/Verizon Executive L	Kyle	Other Principal Officer
17	Qureshi/Verizon Executive	Rima	Other Principal Officer
18	Scotti/Verizon Executive L	Diego	Other Principal Officer
19			

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

10. VERIFICATION

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

<p>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</p> <p>BOS Clerk of the Board</p>	<p>DATE SIGNED</p>
---	---------------------------



Date: June 29, 2022

To: Clerk of the Board of Supervisors

From: Linda Gerull
City CIO, Executive Director
Department of Technology

**Re: Approval of 1st amendment to the citywide Master Agreement with Verizon for Wireless Service and Equipment
Supplier ID: 000008698; Contract ID: 1000017868**

The Department of Technology (DT) manages a citywide master agreement (MA) with Verizon Wireless for the purchase of cellular voice and data services and equipment, leveraging the favorable pricing and terms from the State of California's Integrated Telecommunications Network Program (CALNET) for Cellular Voice and Data Services.

Benefits of the State of California's CALNET Contract:

- 1.) No commitment of spend, quantity or minimum purchase of any kind
- 2.) No fees to terminate service.
- 3.) Includes "Most Favored Nation" clause

Verizon agrees that no other similarly situated public customer of the Contractor or any of its Affiliates will receive rates for a substantially similar Service, or suite of Services, offered under substantially similar terms and conditions that are lower than the statewide rates provided in CALNET contract when the volume of business from the other public customer is equal to or less than the volume of the business delivered under this Contract

The City currently spends an average of **\$4 million** dollars per year under this citywide MA for both service and equipment purchase. Ordering of cellular service and equipment is decentralized and determined by individual departments. DT administers the contract and is responsible for the payment of the citywide cellular service costs. Each individual City department is responsible for the payment of the costs of its ordered hardware/equipment.

DT is seeking approval of an amendment to this agreement that would extend the term of the agreement for four additional years (to June 30, 2027, with options to renew), and increase the not to exceed (NTE) amount to \$30,626,500.00. All pricing and other terms of the MA would remain in effect.

Original Agreement:

Contract Not-to-Exceed Amount: \$9,500,000

Term: June 1, 2020 – May 22, 2023, with two options to renew for a period of two years each.

Contract Rates: CALNET Rates with Verizon

Proposed Modification:

The proposed amendment will extend the term and increase the not to exceed amount.

The existing \$9.5 million NTE amount could be reached by September 30, 2022, nine months before the expiration date of the existing agreement (which CALNET recently extended to June 30, 2023). Since the pandemic started, City departments have authorized more City employees to use city-issued cellular phones than DT anticipated when the MA was entered into in June 2020.

This amendment will:

(1) Extend term by 4 years and 1 month, so that the expiration date will be extended from May 23, 2023, to June 30, 2027. (If CALNET chooses not to extend its underlying contract, the City contract will terminate at the same time.).

(2) Add \$21.1MM to the NTE value, which represents 4.75 years of contract value. This increase consists of two portions:

- a. Nine (9) months of contract value to bring us current with the contract expiration date of May 22, 2023.
- b. Four (4) additional years of net new contract value. DT is projecting an average spend of approximately \$4.52MM/year for the next four (4) years starting in FY23-24.

In conclusion, DT is requesting that the Board approve the First Amendment to the Verizon master agreement.

Thank you for your consideration.

Sincerely,



Linda Gerull
City CIO | Executive Director
Department of Technology