

0150-08919-0005

T R A N S M I T T A L

TO The City Council	DATE 08/10/21	COUNCIL FILE NO.
FROM The Mayor		COUNCIL DISTRICT ALL

**Amendment No. 7 to Contract C-117048 with CenturyLink Communications, LLC
for Citywide internet connectivity services.**

Transmitted for your consideration. The Council has 60 days from the date of receipt to act, otherwise the contract will be deemed approved pursuant to Administrative Code Section 10.5(a). Please see the attached report from the City Administrative Officer.



MAYOR
(Rich Llewellyn for)

opportunities, employment opportunities, and legislative information. The contract also supports remote access and virtual private networks which are vital for telecommuting workers.

History of Contract and Amendments

In November 2008, ITA issued a Request for Proposals (RFP) for internet connectivity services. Qwest Communications Company, LLC, (Qwest) was one of two vendors selected from the RFP. ITA executed the contract and amendments for internet services as follows:

- March 15, 2010: The initial contract with Qwest was executed for three years effective through March 14, 2013, with no option to extend, and a total contract compensation amount not to exceed \$2 million.
- May 17, 2012: Amendment No. 1 formally recognized the name change of the contractor from Qwest Communications Company, LLC, to Qwest Communications Company, LLC, dba CenturyLink QCC as the successor entity.
- March 13, 2013: Amendment No. 2 extended the term of the contract through September 30, 2014.
- June 18, 2014: Amendment No. 3 amended the contract to:
 1. Include provisions of “Burstable Service” to mitigate the impacts of unexpected surges in internet usage during newsworthy events of interest to a broad range of users;
 2. Include additional internet-related services in the contract for the benefit of the City; and,
 3. Extend the term of the contract on a month-to-month basis for up to 12 months through September 30, 2015.
- July 1, 2015: Amendment No. 4 extended the term of the contract for two additional years through September 30, 2017, and updated the company name from Qwest Communications Company, LLC, dba CenturyLink QCC to CenturyLink Communications Company, LLC.
- December 12, 2016: Amendment No. 5 extended the term of the contract through September 30, 2020, and provided ITA the option to further extend the contract term for two successive one year periods.
- April 24, 2021: The City exercised the option to extend the term by one year through September 30, 2021 through Amendment No. 6.

The City is currently working on a new contract to provide these services through CALNET IV (CALNET). The California Department of Technology, Office of Technology Services oversees the CALNET program, which provides local jurisdictions within the State of California the ability to use Master Services Agreements to obtain discounted volume pricing for telecommunications services. However, it anticipated that the new CALNET contracts will not be completed by the end of the current contract term. ITA is requesting to exercise the option to extend the term of the current contract through September 30, 2022 as the services provided under the contract are still needed to support departments' business operations.

Additionally, the City's expenditures for internet services have exceeded the current contract limit because of the shift to teleworking caused by the COVID-19 pandemic and cloud network expansion. Therefore, ITA is also requesting an increase to the expenditure limit by an additional \$1 million, for a total contract compensation amount not to exceed \$3 million.

Funding for the proposed Amendment is provided in ITA's Communications Services account. Pursuant to Section 1 of the contract, the contract shall be subject to termination by the City if funds are not appropriated for these services in the ensuing fiscal year commencing July 1, 2022.

CenturyLink has complied with all applicable City contracting requirements. Charter Section 1022 does not apply to this contract as there is no defined labor component associated with the provision of internet services. The Mayor waived the Business Inclusion Program requirement for the original contract. In accordance to Los Angeles Administrative Code Section 10.5(a), Council approval of the Amendment is required because the term of the contract exceeds three years and the estimated annual expenditure under the contract exceeds \$159,978.

FISCAL IMPACT STATEMENT

Funding for the proposed Amendment is available in the 2021-22 Adopted Budget for ITA, within the Communications Services account. There is no additional impact to the General Fund. The recommendation in this report complies with the City's Financial Policies in that contract expenditures will be limited to the use of approved budgeted funds.

FINANCIAL POLICIES STATEMENT

The recommendation of this report is in compliance with the City's Financial Policies as budgeted funding is available to support anticipated contract expenditures.

TED M. ROSS
GENERAL MANAGER
CHIEF INFORMATION OFFICER

JOYCE J. EDSON
ASSISTANT GENERAL MANAGER

MARYAM ABBASSI
ASSISTANT GENERAL MANAGER

BHAVIN PATEL
ACTING ASSISTANT GENERAL MANAGER

TITA ZARA
ACTING ASSISTANT GENERAL MANAGER

CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI
MAYOR



INFORMATION TECHNOLOGY AGENCY

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(TRANSMITTED VIA EMAIL)

July 7, 2021

REF: EXE-233-21

The Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall
Los Angeles, CA 90012

Attention: Heleen Ramirez, Legislative Coordinator

Subject: **AMENDMENT NO. 7 TO CONTRACT C-117048 WITH CENTURYLINK FOR INTERNET SERVICES**

Dear Mayor Garcetti:

Attached for your review and approval is Amendment No. 7 for internet services between CenturyLink Communications Company, LLC, (CenturyLink) and the Information Technology Agency (ITA). The ITA is requesting approval to execute an amendment to extend the term of the contract to September 30, 2022, and increase the total compensation amount by \$1 million to \$3 million with no change to the scope of work.

Background

The CenturyLink contract provides the City with the internet services needed to deliver e-Government services and public information, such as streaming video of City Council meetings, business opportunities, employment opportunities, and legislative information. It also supports remote access and virtual private networks, both vital for telecommuting workers.

On November 3, 2008, ITA released a Request for Proposal (RFP) for Internet Services. Qwest Communications Company, LLC, was one of two vendors selected from this RFP process for a three-year contract with no option to extend. The effective start date of this contract is March 15, 2010.

On May 17, 2012, the Contract was amended through Amendment No. 1 to reflect the Contractor's official name change from Qwest Communications Company, LLC, to Qwest Communications Company, LLC, dba CenturyLink QCC as the successor entity.

On March 13, 2013, the City amended the Contract through Amendment No. 2 to extend the term through September 30, 2014.

On June 18, 2014, the Contract was further amended through Amendment No. 3 to 1) include provisions of "Burstable Service" to mitigate the impacts of unexpected surges in internet usage during newsworthy events of interest to a broad range of users, 2) include additional internet-

related services in the Contract for the benefit of the City, and 3) extend the term of the Contract on a month-to-month basis for up to twelve (12) months.

The City further extended the term of the Contract on July 1, 2015, for one more year ending on September 31, 2016. Amendment No. 4 also updated the company name from Qwest Communications Company, LLC, dba CenturyLink QCC to CenturyLink Communications Company, LLC.

On December 12, 2016, the Contract was further amended through Amendment No. 5 to extend the term through September 30, 2020, and give ITA the option to further extend the term of the Contract for two successive one (1) year periods.

With Amendment No. 6, on April 26, 2021, the City exercised the option to extend the term by one year to end on September 30, 2021.

The City is currently working on a new contract to provide these services through CALNET IV (CALNET). However, the new CALNET contract will not be completed by the end of the current contract term. Services provided under this contract are still needed to support departments' business operations, therefore ITA would like to exercise the option to extend the term by one year through September 30, 2022.

Additionally, the City's expenditures for internet services have exceeded the current contract limit because of the shift to teleworking caused by the COVID-19 pandemic and cloud network expansion. Therefore, ITA is also requesting an increase to the expenditure limit by an additional \$1,000,000.00, for a total contract expenditure limit of \$3,000,000.00.

Since there is no change in the scope of work, the Office of the CAO stated that the Charter Section 1022 determination process was not required.

The subcontractor outreach requirement was not performed as there are no opportunities for sub-contracting for this utility service.

The draft contract amendment has been reviewed and approved by the City Attorney as to form.

The Contractor uploaded both EBO/FSHO and Disclosure Ordinance affidavits in the LABAVN website, and the documents are awaiting verification by the Public Works Bureau of Contract Administration (BCA).

The Contractor's insurance broker has uploaded proof of minimum insurance in the City's online insurance compliance system (KwikComply).

The vendor has a valid Business Tax Registration Certificate.

ITA is respectfully requesting that the review and approval process for this request be expedited since the current expenditure limit has been expended and the City is at risk of having critical telecommunication services suspended.

FISCAL IMPACT STATEMENT

This amendment extends the term of the contract through September 30, 2022, and increases the contract ceiling by \$1,000,000.00. The City's obligation for the duration of this Contract shall not exceed \$3,000,000.00. Required funding for this contract is available in the Communication Services Account (9350). There is no impact on the General Fund.

The Honorable Eric Garcetti
July 7, 2021
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If this contract amendment is not approved, these services are in danger of being discontinued and the current accounts, which have already surpassed their expenditure limits, will accrue costly late fees.

RECOMMENDATION

That the General Manager of the Information Technology Agency, or designee, be authorized to execute a contract amendment to extend the term of the contract to September 30, 2022, and increase the total compensation amount by \$1 million for a total not-to-exceed amount of \$3 million.

If you have any questions, please contact Tita Zara, Acting Assistant General Manager at (213) 978-3346.

Respectfully submitted,



Ted Ross
General Manager

Enclosures: Draft Amendments

ec: Maria Ramos, CAO
Melissa Velasco, CAO
Tita Zara, ITA
Marc Magallanes, ITA
Arik Bibicoff, ITA
Maggie McNally, ITA

**AMENDMENT NO. 7 TO
CONTRACT C-117048
BETWEEN
CITY OF LOS ANGELES**

And

CENTURYLINK COMMUNICATIONS, LLC

This Amendment No. 7 (“Amendment”) to that certain City of Los Angeles Contract C-117048 is made and entered into by and between the City of Los Angeles, a municipal corporation (hereinafter referred to as “City”) acting by and through its Information Technology Agency (“ITA”), and CenturyLink Communications, LLC (hereinafter referred to as “Contractor” or “CenturyLink”) with reference to the following:

WITNESSETH:

WHEREAS, on March 15, 2010, the City and Contractor’s predecessor, Qwest Communications Company, LLC, entered into Contract C-117048 (“Contract”), whereby Contractor agreed to provide internet and related services to the City; and

WHEREAS, on May 17, 2012, Contract C-117048 was amended to reflect Contractor’s official name change from Qwest Communications Company, LLC, to Qwest Communications Company, LLC dba CenturyLink QCC; and

WHEREAS, on March 13, 2013, Contract C-117048 was subsequently amended to extend the term of the contract through September 30, 2014; and

WHEREAS, on June 18, 2014, Contract C-117048 was amended to 1) include provisions of “Burstable Service” in the Contract that mitigated the impacts of unexpected surges in internet usage during newsworthy events of interest to a broad range of users, 2) include additional internet-related services in the Contract for the benefit of the City, and 3) extend the term of the Contract on a month to month basis for up to twelve (12) months; and

WHEREAS, on July 1, 2015, the City further extended the term of the Contract for two more years ending on September 31, 2017, in addition to updating the company name from Qwest Communications Company, LLC dba CenturyLink QCC to CenturyLink Communications Company, LLC (Amd 4 CenturyLink pramata # 859420);

WHEREAS, on December 12, 2016, the Contract was further amended through Amendment No. 5 to the Contract, which extended the term of the Contract through September 30, 2020, and gave ITA the option to further extend the term of the Contract for two successive one (1) year periods; and

WHEREAS, on April 26, 2021, the City amended the Contract to extend the term by one year to end on September 30, 2021; and

WHEREAS, the City's use of the Contractor's Services has increased due to the COVID-19 pandemic, the subsequent shift to teleworking, and cloud expansion; and

WHEREAS, the City and the Contractor agree to amend the Contract in order to exercise the option to extend the term of the Contract for one year through September 30, 2022, and to increase the City's total obligation under the Contract by \$1,000,000.

NOW, THEREFORE, in consideration of the above recitals, and of the covenants and agreements hereinafter set forth, the City and Contractor hereby covenant and agree that the Contract, as previously amended, is further amended as follows:

1. Section 1. Term is hereby deleted in its entirety and replaced as follows:

"1. TERM. The term of this Contract commenced on March 15, 2010, and shall continue in effect through September 30, 2022. This Contract shall be subject to termination by the City if funds are not appropriated for these services in the ensuing fiscal year commencing July 1."

2. Paragraph a of Section 6 is hereby amended in its entirety and restated as follows in quotation marks:

"a. Total Contract Expenditure - The City's total obligation under this Contract shall not exceed \$3,000,000 (Three Million Dollars) subject to available funding. Contractor further understands and agrees that execution of this Contract does not guarantee that Contractor's personnel will be utilized, or that any or all of these funds will be expended."

3. The Contract is amended to include the following paragraph below in quotation marks as Section 16, which shall be entitled **NAME CHANGE:**

"In the event that Contractor undergoes either an ownership change and the new Owner is able to comply with all Contract terms and conditions, or a name change, the General Manager of the ITA may, at his discretion, execute an amendment to effect the assumption and/or change the Contractor name."

4. Except as amended herein, all other provisions of the Contract, as previously amended, shall remain in full force and effect.

5. **RATIFICATION CLAUSE.** Due to the need for the Contractor's Services to be provided continuously on an ongoing basis, Contractor may have provided Services prior to the execution of this Amendment. To the extent that said Services were performed in accordance with the terms and conditions of the Contract, as previously amended and further amended hereto, those Services are hereby ratified.

IN WITNESS THEREOF, the City and Contractor have caused this Amendment to be signed by their respective duly authorized officers:

APPROVED AS TO FORM:
Michael N. Feuer, City Attorney

CITY OF LOS ANGELES

By: _____

Steven H. Hong
Deputy City Attorney III

Tita Zara
Acting Assistant General Manager
Information Technology Agency

Date: _____

Date: _____

ATTEST: Holly Wolcott
City Clerk

CenturyLink Communications, LLC

By: _____

Signature

Date: _____

Printed Name

Title

Date