



*City of Arts & Innovation*

# City Council Memorandum

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**TO: HONORABLE MAYOR AND CITY COUNCIL**      **DATE: MARCH 26, 2019**

**FROM: INNOVATION AND TECHNOLOGY DEPARTMENT WARDS: ALL**

**SUBJECT: REQUEST FOR PROPOSALS NO. 1841 – INTERNET SERVICE PROVIDER – THREE-YEAR INTERNET ACCESS AGREEMENT AND TWO OPTIONAL ONE-YEAR EXTENSIONS WITH CENTURYLINK COMMUNICATIONS, LLC, AS THE CITY’S PRIMARY INTERNET SERVICE PROVIDER – IN THE TOTAL AMOUNT OF \$111,600**

## **ISSUE:**

Approve a three-year Internet Access Agreement with a term ending March 31, 2022, plus two optional one-year extensions, in response to Request for Proposal No. 1841 for an internet service provider (ISP), with Centurylink Communications, LLC (Centurylink), of Los Angeles, California, for a total amount of \$111,600 (\$22,320 annually).

## **RECOMMENDATIONS:**

That the City Council:

1. Approve a three-year Internet Access Agreement with a term ending March 31, 2022, plus two optional one-year extensions, in response to Request for Proposal No. 1841 for an internet service provider (ISP), with Centurylink Communications, LLC (Centurylink), of Los Angeles, California, for a total amount of \$111,600 (\$22,320 annually); and
2. Authorize the City Manager, or designee, to execute all documents pursuant to the Internet Access Agreement, including any additional supporting forms to effectuate this agreement and documents to exercise extension or renewal options (subject to budgetary availability), and to make minor non-substantive changes; and
3. Authorize up to 15% change order authority pursuant to the Internet Services Agreement with Centurylink.

## **BACKGROUND:**

In May 2015, the City entered into a multi-year agreement with TW Telecom Holdings, LLC (TWTC) for 1000 Megabit per second (Mbps) Internet services for \$81,450 per year.

In July 2018, the City issued Request for Proposals (RFP) No. 1841 – Internet Service Provider to seek proposals for qualified vendors for a new Internet services contract. Although the City’s

recent data usage has been less than the current 1000 Mbps, bandwidth requirements are expected to increase in the near future due to the addition of several major “Cloud” application services, specifically, Software as a Service (SaaS). As such, RFP No. 1841 requested proposals from qualified vendors that allowed the City to evaluate various bandwidth and bursting options, as well as security features.

RFP No. 1841 also included multiple option prices for various Internet Access speeds and contract terms. These included 1-year, 2-year, 3-year, and month-to-month contract pricing for the following six (6) options (or nearest equivalent offering):

- 1) Fixed Internet Access – Bandwidth 1000 Mbps;
- 2) Fixed Internet Access – Bandwidth 2000 Mbps;
- 3) Fixed Internet Access – Bandwidth 3000 Mbps;
- 4) Fixed Internet Access – Bandwidth 10000 Mbps;
- 5) Bursting Internet Access – CIR 3000 Mbps with incremental bursting rates to a full 10 GigE; and
- 6) Bursting Internet Access – CIR 1000 Mbps with incremental bursting rates to a full 10 GigE.

The City received two (2) qualified proposals, 1) Centurylink and 2) VPLS, Inc. The proposals were evaluated based on several factors, including but not limited to, costs, vendor background, technical solution, maintenance/support and responsiveness. The proposal submitted by Centurylink received the highest score ranking as number 1. The Innovation and Technology Department recommends the City Council approve a three-year Internet Access Agreement, plus two optional one-year extensions, with Centurylink that provides 2000 Mbps Internet Service for \$22,320 annually.

The City's Purchasing Manager concurs with the recommendations in this report.

### **FISCAL IMPACT:**

The total cost for the initial three-year term is \$66,960. Sufficient funds are available in the *Innovation and Technology – Network IT-Internet Service Provider* account number 2405000-421215. The expenditures for fiscal year 2018-2019 of \$5,580 and fiscal year 2019-2020 of \$22,320 have been allocated to other City departments through the annual cost allocation process. The costs in the following fiscal years will be included in the corresponding annual budget process for those fiscal years.

Prepared by: George Khalil, Chief Innovation Officer

Certified as to

availability of funds: Edward Enriquez, Chief Financial Officer/CityTreasurer

Approved by: Lea Deesing, Assistant City Manager

Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Agreement
2. Addendum
3. Service Order
4. RFP Award Recommendation