



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: SEPTEMBER 20, 2022**

**FROM: LIBRARY DEPARTMENT      WARDS: ALL**

**SUBJECT: NOVATION AGREEMENT BETWEEN THE CITY OF RIVERSIDE, THROUGH ITS RIVERSIDE PUBLIC LIBRARY AND COLUMBIA TELECOMMUNICATIONS CORPORATION DBA CTC TECHNOLOGY AND ENERGY FOR THE PROVISION, INSTALLATION AND MAINTENANCE OF ADVANCED NETWORK SERVICES, FOR A TERM FROM JULY 1, 2022, THROUGH JUNE 30, 2023, IN THE AMOUNT OF \$57,349.56 – SUPPLEMENTAL APPROPRIATION**

## **ISSUES:**

Novation Agreement between the City of Riverside through its Riverside Public Library and Columbia Telecommunications Corporation DBA CTC Technology and Energy for the provision, installation and maintenance of advanced network services as part of the Corporation for Education Network Initiatives in California's (CENIC) project, for a term from July 1, 2022, through June 30, 2023, in the amount of \$57,349.56.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the Novation Agreement between the City of Riverside through the Riverside Public Library and Columbia Telecommunications Corporation DBA CTC Technology and Energy for the provision, installation and maintenance of advanced network (Data) services as part of the Corporation for Education Network Initiatives in California's (CENIC) project, for a term from July 1, 2022, through June 30, 2023, in the amount of \$57,349.56;
2. With at least five affirmative votes, authorize a supplemental appropriation in the amount of \$57,349.56 in the General Fund, Library Administration, Internet Service Provider expenditure account and record an equal amount in revenue in the General Fund, Miscellaneous Receipts revenue account, to account for the annual rebate credits through AT&T; and
3. Authorize the City Manager, or his designee, to execute the Agreement with Columbia Telecommunications Corporation DBA CTC Technology and Energy, including making minor and non-substantive changes and contract extensions subject to availability of funding.

## **BACKGROUND:**

Public libraries across the state of California are being connected to the CENIC's California Research and Education Network (CalREN), a high-capacity 3,800-mile fiber optic network that is part of the High-Speed Broadband in California Libraries Project. The Califa Group (Califa), a non-profit library consortium, was appointed by the California State Library to manage the roll-out process with CENIC. Created by the University of California, CENIC's other members include the state university system, California's community colleges and public schools.

A 2014 State Library needs assessment on high-speed broadband, found that 70 percent of California's public libraries have connectivity that is more limited than the typical American home, with speeds of "slow" or "very slow." The City of Riverside has a 1 Gigabit shared internet pipe city wide. With the addition of CENIC, Riverside Public Library will have a 10 Gigabit connection at Main Library and 1 Gigabit at branch libraries.

In the 2014 and 2015 Legislative Platform, the Riverside City Council supported efforts to modernize the California Library Services Act to be able to accommodate any future arrangement for broadband infrastructure and support of public libraries to a statewide high-bandwidth, high-capacity Internet network sponsored by CENIC.

On December 6, 2016, the City Council accepted \$90,000 in grant funding assistance from the California State Library in the amount of \$30,000 for the California Library broadband project from February 22, 2016 through June 30, 2017 and \$60,000 for September 15, 2016 through June 30, 2017.

On April 13, 2018, the circuits provided by Califa to connect the City's library branches to AT&T's high-speed Internet, went live. The agreement with Califa, originally entered into in 2016 while the framework for the CENIC project was being completed, was ratified by the City Council, as costs exceeded \$50,000. Costs were \$165,000, which were offset by a 90% credit (\$148,500) applied once a year; the net annual cost to the City was approximately \$16,500, in the Library FY 2018-2020 Two-Year Budget.

In FY2021/22 costs were \$146,010 which were offset by a 90% credit of \$131,409; with a net annual cost to the City of approximately \$14,601.

## **DISCUSSION:**

The California State Library has amended and replaced the original agreement with Califa to Columbia Telecommunications Corporation DBA CTC Technology and Energy (CTC). The original agreement remains in full force between the Riverside Public Library and CTC for the provision, installation and maintenance of advanced network (data) services as part of the corporation for education network initiatives in California's (CENIC) project. This requires that the Riverside Public Library enter into a novation agreement with CTC. The estimated annual cost of this agreement is \$57,349.56. Costs will be offset by a 90% credit (\$5,734.96) applied once a year; the net annual cost to the city is approximately \$51,614.60, in the Library's operating budget for FY22/23.

The Riverside Public Library has worked closely with project partners to secure, install and test necessary technology equipment to provide the Riverside Libraries with enhanced Internet connectivity through CENIC.

| PROJECT PARTNERS                   | CONTRIBUTION  |
|------------------------------------|---|
| CENIC                              | Provides network designs, procures circuits, arranges for state and federal discounts, purchases and installs hardware, and maintains and monitors network connectivity to CalREN, the high-capacity network they operate.  |
| Innovation & Technology Department | Assists with acquiring, installing and maintaining necessary equipment related to the CENIC project.  |
| California State Library           | Sets direction for the project and provides oversight.  |
| Califa                             | Acts as the administrative arm of the California State Library, Califa develops contracts with participating libraries for circuits and use of the CalREN network and coordinates the consolidated hardware purchase to take advantage of consortium pricing for network equipment. |

The Library is increasingly relying on digital services for our residents. At the same time, the City's bandwidth needs to continue to support internal and external communication needs as well as a growing number of cloud services. CENIC provides dedicated high-speed service to the library patrons approaching 10 Gigabits per second and will reduce the network bandwidth and performance impact on the City's network and security hardware that's currently rated for 1 Gigabit per second supporting more than 7,000 connected systems.

Purchasing Resolution 23812, Section 602(c), provides for an exception to the competitive procurement process when services can only be obtained from a sole source or Section 602 (d) timely from a single source and the Purchasing Manager is satisfied that the best price, terms and conditions have been negotiated. Additionally, Section 602(f), provides for an exception to the competitive procurement process when cooperative purchasing is available through Federal, State, and/or other public entity pricing contracts or price agreements. Califa, is a public benefit corporation that provides discounted high-speed Internet service to public libraries through AT&T and part of the CENIC program. With discounts up to 90% for high-speed Internet service to the City's library system, the Purchasing Manager agrees the recommendations in the report are in agreement with Purchasing Resolution 23812.

The Chief Innovation Officer concurs with the recommendations in this report.

### **STRATEGIC PLAN ALIGNMENT:**

This item contributes to **Strategic Priority No. 1 Arts, Culture & Recreation** and **Goal 1.1** - Strengthen Riverside's portfolio of arts, culture, recreation, senior and lifelong learning programs and amenities through expanded community partnerships, shared use opportunities and fund development.

The item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** - This item aligns with Community Trust by minimizing the expenditure of City funds through partnerships with California State Library, CENIC, and Califa.
2. **Equity** - This item aligns with Equity by facilitating equitable distribution of internet services to every member of the community.
3. **Fiscal Responsibility** - This item aligns with Fiscal Responsibility as this provides discounts up to 90% for high-speed internet services.

4. **Innovation** - This item aligns with Innovation by continuing partnership with the California State Library.
5. **Sustainability & Resiliency** - This item aligns with Sustainability & Resiliency by providing reliable digital services.

**FISCAL IMPACT:**

The total fiscal impact of this action is \$57,349.56. Upon Council approval, an increase in revenue will be recorded in the General Fund, Miscellaneous Receipts revenue account number 5130000-374200 and an equal amount appropriated to the General Fund, Library Administration, Internet Service Provider expenditure account 5130000-421215.

The Columbia Telecommunications Corporation Agreement allows the City to take advantage of deeply discounted high-speed Internet services provided by AT&T. Pursuant to the terms of the agreement, the City would pay the market price for services on a monthly basis, with an annual credit provided to the City in an amount equal to approximately 90% of the costs.

Prepared by: Erin Christmas, Library Director  
Certified as to  
availability of funds: Edward Enriquez, Interim Assistant City Manager  
Chief Financial Officer/City Treasurer  
Approved by: Rafael Guzman, Assistant City Manager  
Approved as to form: Phaedra A. Norton, City Attorney

Attachment: Novation Agreement