



## Legislation Details (With Text)

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**Title:** CONSIDERATION OF APPROVAL OF CONTRACT AMENDMENT NO. 3 WITH CHARTER COMMUNICATIONS OPERATING, LLC FOR INTERNET AND POINT-TO-POINT DATA CIRCUIT SERVICES FOR THE CITY OF CARSON (CITY COUNCIL)

**Sponsors:**

**Indexes:**

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**Attachments:** 1. Spectrum Contract Amendment No. 3

Date	Ver.	Action By	Action	Result
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## Report to Mayor and City Council

Tuesday, December 06, 2022

Consent

### SUBJECT:

**CONSIDERATION OF APPROVAL OF CONTRACT AMENDMENT NO. 3 WITH CHARTER COMMUNICATIONS OPERATING, LLC FOR INTERNET AND POINT-TO-POINT DATA CIRCUIT SERVICES FOR THE CITY OF CARSON (CITY COUNCIL)**

### I. SUMMARY

The City of Carson ("City") and Charter Communications Operating, LLC ("Consultant"), entered into that certain Agreement for Contractual Services dated January 23, 2018 ("Agreement") where Consultant agreed to provide point to point data circuits to all City of Carson facilities, and internet to City Hall, Carson Park, Corporate Yard, Community Center, and Veterans Park/Sports Complex, as well as local and long-distance phone service to all City of Carson facilities.

The Agreement has been twice amended, once on July 17, 2018 to modify the Contract Sum from \$680,208.64 to \$782,696.88 because the Contract Sum in the Agreement reflected an underestimated amount of likely fees and taxes to which the services are subject, and again on December 24, 2020, to increase the bandwidth available at various City parks, to allow City to operate its Wifi in the Park program at those parks, and to increase the Contract Sum by an amount of \$23,561.60, from \$782,696.88 to \$806,258.48.

The Agreement term is for 36 months extendable by mutual consent by an additional 12 months on a month-to-month basis. Based on the nature of services where the start date of services for each location to be provided (“Serviced Locations”) was staggered, the term as respecting each location commenced on the date the services became functional in all material aspects and available for use by City for each such location. By way of example, the term with respect to the City Hall location commenced October 3, 2019, and expired October 2, 2022 (“City Hall Expiration Date”), and for Hemingway Park, it commenced July 23, 2020, and will expire July 22, 2023.

Now City staff is seeking City Council approval of Amendment 3 to (1) increase bandwidth and speed in part to support City’s installation of numerous security surveillance cameras and Public WiFi throughout the Serviced Locations, and remove certain Primary Rate Interface (PRI) and Basic Call Processing (BCP) lines; (2) adjust pricing for the Serviced Locations resulting in an increase of the Contract Sum from \$806,258.48 to \$1,101,865.28; (3) remove Carson Park/Carson Pool from among the Serviced Locations because those sites already receive network access via a different medium and will not need this service; and (4) update the Corporate Yard address in contract to new location. The terms of all the Serviced Locations will become coterminous with each other to the extent the practicalities will allow, which will allow City to better plan for next steps once the Agreement expires.

## **II. RECOMMENDATION**

TAKE the following actions:

1. APPROVE Amendment No. 3 to Contract with Charter Communications Operating, LLC, for a two-year extension for an additional amount of \$295,606.80 bringing the total not to exceed contract sum to \$1,101,865.28; and
2. AUTHORIZE the Mayor to execute Amendment No. 3 upon approval as to form by the City Attorney.

## **III. ALTERNATIVES**

1. TAKE whatever action the City Council deems appropriate.

## **IV. BACKGROUND**

The City of Carson (“City”) and Charter Communications Operating, LLC (“Consultant”), entered into that certain Agreement for Contractual Services dated January 23, 2018 (“Agreement”) where Consultant agreed to provide point to point data circuits to all City of Carson facilities, and internet to City Hall, Carson Park, Corporate Yard, Community Center and Veterans Park/Sports Complex, as well as local and long-distance phone service to all City of Carson facilities, for a Contract Sum of \$680,208.64.

The Agreement has been twice amended, once on July 17, 2018 to modify the Contract Sum from \$680,208.64 to \$782,696.88 because the Contract Sum in the Agreement reflected an underestimated amount of likely fees and taxes to which the services are

subject, and again on December 24, 2020, to increase the bandwidth available at various City parks, to allow City to operate its Wifi in the Park program at those parks, and to increase the Contract Sum by an amount of \$23,561.60, from \$782,696.88 to \$806,258.48. Due to the COVID-19 pandemic and City's desire to implement its Wifi in the Park program to allow "latch-key children" ages 5 through 12 to attend school or participate in other virtual learning programs while being supervised by City employees at various City parks, thereby helping to protect the lives and safety of the children and others alike, the second amendment was authorized and approved by the City Manager as the City Administrator and Disaster Council's Director of Emergency Preparedness under CMC Section 3704, pursuant to Carson Municipal Code Section 3705.

The Agreement term is for 36 months extendable by mutual consent by an additional 12 months on a month-to-month basis. Based on the nature of services where the start date of services for each location to be provided ("Serviced Locations") was staggered, the term as respecting each location commenced on the date the services became functional in all material aspects and available for use by City for each such location. By way of example, the term with respect to the City Hall location commenced October 3, 2019, and expired October 2, 2022 ("City Hall Expiration Date"), and for Hemingway Park, it commenced July 23, 2020, and will expire July 22, 2023. The location with the latest expiration date is Del Amo Park which will expire July 11, 2024.

Now, City and Consultant seek to again amend the Agreement for the purpose of extending the term for two (2) years commencing on or as soon as practicable following the City Hall Expiration Date so that the term for all Serviced Locations will expire as closely to the same time with each other as possible on or shortly after October 2, 2024. Again, the services will become functional in all material aspects on different dates for each of the Serviced Locations upon installation and commencement of Consultant's provision of the modified services and made available for use by City ("Extension Turn-up Date") but this time it is expected that such dates will fall within a few days of each other. This way, the terms of all the Serviced Locations will become coterminous with each other to the extent the practicalities will allow, which will allow City to better plan for next steps once the Agreement expires. It should be noted that the two (2) year extension will not apply to two of the Serviced Locations (Community Center at 801 E. Carson St. and Hemingway Aquatic Center at 16605 San Pedro St.) as the term for such locations will expire as originally contemplated in the Agreement. Essentially, this results in only the term of the City Hall location being extended by two years, with the remaining locations being extended for shorter periods. For example, the term for the Del Amo Park location, which is set to expire July 11, 2024, will be extended less than three months.

Amendment 3 will also (1) increase bandwidth and speed in part to support City's installation of numerous security surveillance cameras and Public WiFi access throughout the Serviced Locations and remove certain PRI and BCP lines; (2) adjust pricing for the Serviced Locations effective as of the Extension Turn-up Date applicable to each of the Serviced Locations, resulting in an increase of the Contract Sum from \$806,258.48 to \$1,101,865.28; (3) remove Carson Park/Carson Pool from among the Serviced Locations because that site never received nor will need service; and (4) update the Corporate Yard address in contract to new location.

Under Section 2611(i)(12) of the CMC, procurement of utility services such as those

provided by Consultant are exempt from City's bidding requirements.

City staff is now requesting that the City Council approve Amendment No. 3 to be effective retroactive to October 2, 2022.

It should be noted that Spectrum could not provide a network line to Carson Park in the time allotted because of various trenching challenges so the City pursued a new alternative Wireless Broadband solution (mmWave) that can be implemented quickly and at a very high bandwidth. After seeking three bids, the City chose the lowest responsible bidder, Nuevo Systems, to implement the Wireless technology using antennas on top of City roofs to transport the signal wirelessly through the air. The system was implemented quickly on 3/17/2021 at a one-time cost of \$24,966 with no annual fees thereafter. With network speeds that are 10x that of the proposed Spectrum line at Carson Park and no annual fees to pay, this was the most advantageous combination of cost, quality, and sustainability to meet City requirements.

## **V. FISCAL IMPACT**

There is no fiscal impact to the Information Technology department as the first year costs of the contract are available in the adopted FY 2022-2023 budget (IT account no. 101-54-520-101-6011). Information Technologies will budget in the following fiscal years the required funds to fulfill remaining contract amount.

## **VI. EXHIBITS**

1. Spectrum Amendment No. 3

Prepared by: Kevin Kennedy, Information Technology Manager