

0150-09496-0002

**TRANSMITTAL**

TO The Council	DATE OCT 04 2013	COUNCIL FILE NO.
FROM The Mayor		COUNCIL DISTRICT

**Second Amendments to Contracts with  
Verizon California, Inc. and L Tech Network Services, Inc.  
to Provide Communications and Network Services**

Transmitted for your consideration.  
See the City Administrative Officer report attached.

  
MAYOR (Ana Guerrero)

Report From  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**  
**Analysis of Proposed Contract**  
(\$25,000 or Greater and Longer than Three Months)

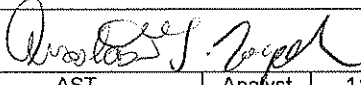
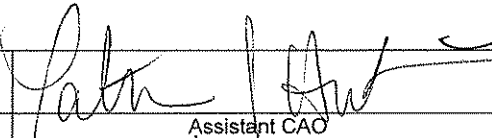
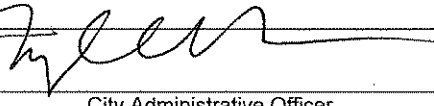
To: Mayor	Date: 09/30/13	C.D. No.	CAO File No.: 0150-09496-0002				
Contracting Department/Bureau: Information Technology Agency (ITA)		Contact: Nicanier Rosas (213) 978-3326 Irene Mayeda (213) 978-3327					
Reference: ITA transmittal dated August 20, 2013; referred by the Mayor for report							
Purpose of Contract: To provide communications and network services.							
Type of Contract: ( ) New contract (X) Amendment		Contract Term Dates: October 6, 2006 – October 5, 2015 (nine years)					
Contract/Amendment Amount: \$0							
Proposed amount \$0 + Prior award(s) \$ 20,000,000 = Total \$ 20,000,000 per contract							
Source of funds: Various							
Name of Contractor: Verizon California, Inc., 112 Lakeview Canyon Road, Thousand Oaks, CA 91362 (21 percent of workforce resides in the City) L Tech Network Services, Inc., 9926 Pioneer Boulevard, Suite 101, Santa Fe Springs, CA 90670 (18 percent of workforce resides in the City)							
	Yes	No	N/A*	8. Contractor has complied with:	Yes	No	N/A*
1. Council has approved the purpose	X			a. Equal Employmt. Oppty./Affirm. Action	X		
2. Appropriated funds are available	X			b. Good Faith Effort Outreach**			X
3. Charter Section 1022 findings completed	X			c. Equal Benefits Ordinance	X		
4. Proposals have been requested	X			d. Contractor Responsibility Ordinance	X		
5. Risk Management review completed	X			e. Slavery Disclosure Ordinance	X		
6. Standard Provisions for City Contracts included	X			f. Bidder Certification CEC Form 50			X
7. Workforce that resides in the City: see above				*N/A = not applicable ** Contracts over \$100,000			

**COMMENTS**

In accordance with Executive Directive No. 3, the Information Technology Agency (ITA) requests approval to execute Amendment No. 2 (Amendment) to two contracts, one with Verizon California, Inc. (Verizon) (C-110665) and the other with L Tech Network Services, Inc. (L Tech) (C-110666), to provide communications and network services. In each case, the contract is proposed to be extended by two years for a total contract term of nine years from October 6, 2006 through October 5, 2015. The expenditure limit will remain \$20,000,000 per contract.

Both contractors were selected through a 2005 Request for Proposals (RFP) process. Work is awarded to either Verizon or L Tech following their submission of cost estimates for specific projects. ITA states that it intends to perform a new RFP process in 2014.

While ITA administers these contracts, work is performed for any City department that makes a communication services request to ITA if that work exceeds ITA's staffing capacity. Projects are either a) fully funded by budgeted funds within ITA's Communications Services Account, b) funded by interim appropriations to ITA's Communications Services Account from other departments, or c) in the case of large projects, funded directly by the requesting department. ITA's 2013-14 budget includes approximately \$860,000 for work that can be performed under these contracts. The cumulative

		
AST	Analyst	11140010h
	Assistant CAO	City Administrative Officer

average annual expenditure for these two contracts during the current seven year term was \$2.22 million. Cumulative expenditures to date total \$15.56 million. Examples of projects that will require services through these contracts include the installation of cabling to link the servers at the Personnel Building and the installation of Wi-Fi for the Bureau of Sanitation at the Public Works Building.

In accordance with Los Angeles Administrative Code Section 10.5(a), the City Council approval of the proposed Amendments is required because the contracts exceed three years in term. According to ITA, Verizon and L Tech have complied with all contracting requirements, policies, and procedures.

### **RECOMMENDATION**

That the Council approve, and authorize the General Manager of the Information Technology Agency to execute, Amendments No. 2 to the contracts with Verizon California, Inc. and L Tech Network Services, Inc. to provide communications and network services, to extend the terms of the contracts by two years until October 5, 2015, subject to the approval of the City Attorney.

### **FISCAL IMPACT STATEMENT**

Funding for the contracts will be provided by budgeted funds within either the Information Technology Agency's Communications Services Account or departmental budgets. As budgeted funds are available to fund the proposed Amendment expenditures, the recommendation of this report complies with the City's Financial Policies.

# CITY OF LOS ANGELES

CALIFORNIA

INFORMATION TECHNOLOGY  
AGENCY

STEVE RENEKER  
GENERAL MANAGER

MARK P. WOLF  
EXECUTIVE OFFICER

ASSISTANT GENERAL MANAGERS  
TED M. ROSS  
GREG R. STODDARD



ERIC GARCETTI  
MAYOR

ROOM 1400, CITY HALL EAST  
200 NORTH MAIN STREET  
LOS ANGELES, CA 90012  
(213) 978-3311  
FAX (213) 978-3310

2013 AUG 21 AM 8:07  
CITY ADMINISTRATIVE OFFICES  
PA.LACITY.ORG

August 20, 2013

REF: ASB-230-13

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

Attention: Mandy Morales, Legislative Coordinator

Subject: **REQUEST FOR PERSONAL SERVICES CONTRACT AMENDMENT –  
VERIZON CALIFORNIA, INC. AND L-TECH NETWORK SERVICES,  
INC.**

Dear Mayor Garcetti:

In accordance with Executive Directive No. 3, attached for your review and approval is a personal services contract amendment to Contract numbers C-110665 and C-110666. This amendment will permit Verizon California, Inc. (Verizon) and L-Tech Network Services, Inc. (L-Tech) to continue providing communications and network services as specified in the contract without disruption for up to an additional two years beyond the seven year term of the contract. This amendment does not change the total compensation limit.

### Background

On March 6, 2006, an Executive Directive No. 3 letter (REF: OPA-169-06) and two draft personal services contracts for citywide communication related services were submitted to your office for review and approval. As stated in the letter, the Information Technology Agency (ITA) recommended award of contracts to Verizon California, Inc. and L-Tech Network Services, Inc. Subsequently, two five year contracts (C-110665 and C-110666) were executed on October 6, 2006 for the provision of communications and network services. The first amendment to each contract (C-110665 and C-110666) to extend the term for two additional years were executed on June 12, 2012 and December 14, 2011 respectively. Both contracts are set to expire on October 5, 2013.

The communications and network services covered under these contracts are critical to the City's daily business. The contracts provide for the operation and maintenance of the City's private branch exchange (PBX) telephone switches, telephone repair services, installation of structured cabling and related administrative and clerical duties on an as needed, intermittent basis. The contracts provide services to all Council

Controlled Departments and are funded either through ITA's budget allocation or from inter-departmental transfers.

ITA has prepared a new Request for Proposals (RFP) which ITA plans to release within the next month. However, based on experience with the RFP process, ITA will not have sufficient time to execute replacement contract(s) before the current contracts expires in approximately six weeks. ITA needs to extend the term of the two current contracts to afford ITA the tool to continue providing service Citywide without disruption to daily City business while simultaneously moving through with the competitive process.

ITA is requesting an extension of the current contracts for up to two years. The annual amount of each contract is not to exceed \$4,000,000 per year for a cumulative total of \$20,000,000 for five years. The total expenditure for each contract (from October 6, 2006 through July 2013) is less than \$10,000,000, so ITA is not requesting to increase the total contract cap for either contract. The execution of these contracts does not obligate the City to utilize all the contractors' services or all the allocated funds. The contracts are also subject to termination by the City if funds are not appropriated for the services in any ensuing fiscal year commencing July 1.

The CAO has opined that pursuant to Charter 1022 policy, since this amendment does not add new labor component and the contract amount previously approved for the existing labor component remains the same, a new Charter 1022 process is not required.

Both contractors have complied with all City administrative requirements for personal services contracts of this type. In addition, the contractors have maintained the required insurance, although Verizon's insurance recently expired which the vendor will update at the City's Risk Management track41a website. These contract amendments have been reviewed and approved by the City Attorney as to form.

	Yes	No	N/A*	8. Contractor has complied with:	Yes	No	N/A*
1. Council has approved the purpose	x			a. Equal Employmt. Oppty./Affirm. Action	x		
2. Appropriated funds are available	x			b. Good Faith Effort Outreach	x		
3. Charter Section 1022 completed	x			c. Equal Benefits Ordinance	x		
4. Proposals have been requested	x			c. Contractor Responsibility Ordinance	x		
5. Risk Management review completed	x			e. Slavery Disclosure Ordinance	x		
6. Standard Provisions for City Contract	x			f. Bidder Certification CEC Form 50			x
7. Workforce that resides in the City: %				*N/A = not applicable			

The headquarters address and workforce information for each contractor is as follows:

Verizon California, Inc.  
 112 Lakeview Canyon Road  
 Thousand Oaks, CA 91362  
 % of Workforce Residing in the City: 21%

Honorable Eric Garcetti

August 20, 2013

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L Tech Network Services, Inc.  
9926 Pioneer Blvd., Suite 101  
Santa Fe Springs, CA 90670  
% of Workforce Residing in the City: 18%

**Fiscal Impact Statement**

No additional funding is required for ITA. Required funding for citywide telephone repair services is available in the ITA's Communication Services Account. The contracts are a citywide contract with virtually every City department using the services of the contractors. All other departments are budgeted for these services in their respective budgets.

**Recommendation**

That the General Manager of the Information Technology Agency, or his designee, be authorized to execute a personal services contract amendments with Verizon California, Inc. and L-Tech Network Services, Inc to extend the term of the contracts for up to two years.

Please contact Ms. Laura Ito, Director of Finance and Administration, at 978-3322 with any additional questions.

Respectfully submitted,



Steve Reneker  
General Manager

Enclosures

cc: Melissa Fleming, Office of the City Administrative Officer  
Greg Stoddard, ITA  
Anne Wu, ITA  
Irene Mayeda, ITA  
Nicanier Rosas, ITA

AMENDMENT NO. 2 TO  
CONTRACT NO. C-110666  
BETWEEN  
CITY OF LOS ANGELES  
and  
L TECH NETWORK SERVICES, INC.

THIS Amendment No. 2 to Contract No. C-110666 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 the Information Technology Agency, and L Tech Network Services, Inc., a California corporation (hereinafter referred to as "Contractor").

WITNESSETH:

WHEREAS, the Information Technology Agency is responsible for providing communications and network services to all City departments;

WHEREAS, the City and the Contractor entered into Contract No. C-110666 on October 6, 2006, whereby Contractor agreed to provide communications and network services;

WHEREAS, the Contract will expire on October 5, 2013;

WHEREAS, the City still requires the services of the Contractor;

WHEREAS, the City now desires to amend Contract No. C-110666 to extend the term of the contract for up to two additional years.

NOW, THEREFORE, in consideration of the above premises, and of the covenants and agreements hereinafter set forth, the parties hereby covenant and agree as follows:

1. Section 1.0 subsection A. Period of Performance is hereby deleted and replaced to read as follows:

**A. PERIOD OF PERFORMANCE**

The term of this Contract commenced on October 6, 2006, and shall terminate eight (8) years therefrom, or at such time as all funding provided herein has been expended, whichever occurs first. At the General Manager's discretion, this agreement may be extended for an additional period of up to one year.

2. Section 8.0 Contract Representatives/Project Managers, subsection D. City's Project Manager is hereby modified to read as follows:

D. City's Project Manager

The CITY hereby appoints the following person to act as the project manager.

Name: Anne Wu  
Title: Director of Communications  
Address: 200 North Main Street, Room 1300  
Los Angeles, CA 90012  
Telephone: (213) 978-0088  
E-mail: anne.wu@lacity.org

3. 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 this amendment, those services are hereby ratified.
4. Except as amended herein, all other provisions of Contract No. C-110666 and the first amendment shall remain in full force and effect.



5. IN WITNESS THEREOF, the parties hereto have caused this instrument to be signed by their duly authorized officers.

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

CITY OF LOS ANGELES

By \_\_\_\_\_  
Laurel L. Lightner  
Assistant City Attorney

\_\_\_\_\_  
Laura Ito  
Director of Finance and Administration  
Information Technology Agency

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:  
Holly Wolcott, City Clerk

L TECH NETWORK SERVICES, INC.

By \_\_\_\_\_

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

BTRC NO. \_\_\_\_\_

AMENDMENT NO. 2 TO  
CONTRACT NO. C-110665  
BETWEEN  
CITY OF LOS ANGELES  
and  
VERIZON CALIFORNIA, INC.

THIS Amendment No. 2 to Contract No. C-110665 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 the Information Technology Agency, and Verizon California, Inc., a California corporation (hereinafter referred to as "Contractor").

WITNESSETH.

WHEREAS, the Information Technology Agency is responsible for providing communications and network services to all City departments;

WHEREAS, the City and the Contractor entered into Contract No. C-110665 on October 6, 2006, whereby Contractor agreed to provide communications and network services;

WHEREAS, the Contract will expire on October 5, 2013;

WHEREAS, the City still requires the services of the Contractor;

WHEREAS, the City now desires to amend Contract No. C-110665 to extend the term of the contract for up to two additional years.

NOW, THEREFORE, in consideration of the above premises, and of the covenants and agreements hereinafter set forth, the parties hereby covenant and agree as follows:

1. Section 1.0 subsection A. Period of Performance is hereby deleted and replaced to read as follows:

**A. PERIOD OF PERFORMANCE**

The term of this Contract commenced on October 6, 2006, and shall terminate eight (8) years therefrom, or at such time as all funding provided herein has been expended, whichever occurs first. At the General Manager's discretion, this agreement may be extended for an additional period of up to one year.

2. Section 8.0 Contract Representatives/Project Managers, subsection A. Contractor Representative and subsection D, City's Project Manager is hereby modified to read as follows:

A. Contractor Representative

The Contractor hereby appoints the following person to represent the Contractor with respect to all matters pertaining to this Contract.

Name: Donna Chiaramonte  
Title: Verizon Account Manager  
Address: 5 Hutton Centre Drive, Suite 400  
Santa Ana, CA 92707  
Telephone: (714) 277-9795  
Email: donna.chiaramonte@verizon.com

D. City's Project Manager

The CITY hereby appoints the following person to act as the project manager.

Name: Anne Wu  
Title: Director of Communications  
Address: 200 North Main Street, Room 1300  
Los Angeles, CA 90012  
Telephone: (213) 978-0088  
E-mail: anne.wu@lacity.org

3. 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 this amendment, those services are hereby ratified.
4. Except as amended herein, all other provisions of Contract No. C-110665 and the first amendment shall remain in full force and effect.

IN WITNESS THEREOF, the parties hereto have caused this instrument to be signed by their duly authorized officers.

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

CITY OF LOS ANGELES

By \_\_\_\_\_  
Laurel L. Lightner  
Assistant City Attorney

\_\_\_\_\_  
Laura Ito  
Director of Finance and Administration  
Information Technology Agency

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:  
Holly Wolcott, City Clerk

VERIZON CALIFORNIA, INC.

By \_\_\_\_\_

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

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Title

\_\_\_\_\_  
Date

BTRC NO. \_\_\_\_\_

