

0220-00539-0181

TRANSMITTAL

TO
The Council

DATE
06/07/16

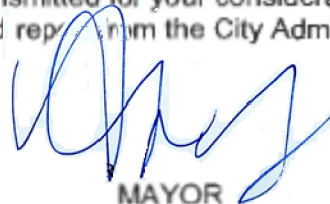
COUNCIL FILE NO.

FROM
The Mayor

COUNCIL DISTRICT

**Second Amendment to the First Restated and Amended Grant Agreement with the
Los Angeles Cable Television Access Corporation (LACTAC) to
Manage and Operate Channel 36**

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



(Ana Guerrero)

MAYOR

MAS:CEA:11160103

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

To: The Council	Date: 06-07-16	C.D. No. All	CAO File No.: 0220-00539-0181
Contracting Department/Bureau: Information Technology Agency (ITA)		Contact: Laura Ito (213) 978-3322	
Reference: Request from ITA dated April 21, 2016; referred by Mayor for report			
Purpose of Contract: To manage and operate Channel 36 as an educational, community, and public access channel.			
Type of Contract: () New contract (X) Amendment		Contract Term Dates: July 1, 2005 through June 30, 2018 (two-year extension)	
Contract/Amendment Amount: \$1,010,000			
Proposed amount \$1,010,000 + Prior award(s) \$5,925,000 = Total \$6,935,000			
Source of funds: Telecommunications Liquidated Damages and Lost Franchise Fees Fund, Telecommunications Development Account, Grants to Third Parties			
Name of Contractor: Los Angeles Cable Television Access Corporation (LACTAC)			
Address: 2310 East 7 th Street, Los Angeles, CA 90023			
	Yes	No	N/A*
1. Council has approved the purpose	X		
2. Appropriated funds are available	X		
3. Charter Section 1022 findings completed	X		
4. Proposals have been requested		X	
5. Risk Management review completed	X		
6. Standard Provisions for City Contracts included	X		
7. Workforce that resides in the City: 90%			
*N/A = not applicable ** Contracts over \$100,000			

COMMENTS

The Information Technology Agency (ITA) requests authority to execute Amendment No. 2 (Amendment) to the First Restated and Amended Grant Agreement C-108757 (Grant Agreement) with the Los Angeles Cable Television Access Corporation (Contractor) to manage and operate Channel 36 as a Citywide public access, educational, and community programming channel. The proposed Amendment will extend the term of the Grant Agreement by two years through June 30, 2018 and would increase compensation by \$1.01 million, or \$505,000 per fiscal year. The Contractor has been providing this service for Channel 36 since 1997 through similar, predecessor agreements.

The Grant Agreement was initially executed on August 26, 2005 for a term of one year effective July 1, 2005 through June 30, 2006 with compensation of \$555,000. Since then, ITA has executed four amendments and four supplemental agreements, a first restated and amended Grant Agreement and an amendment to the first restated and amended grant agreement in order to extend the term and increase compensation. The current Grant Agreement expires June 30, 2016 with compensation not to exceed \$5.925 million. The proposed Amendment will extend the term by two years from July 1, 2016 through June 30, 2018, for a total term of thirteen years, and authorize additional compensation of \$1.01 million for a total contract compensation amount not to exceed \$6.935 million. The approval of this amendment is necessary to continue services provided through the Contractor for Channel 36.

		
CEA Analyst 11160103	Assistant CAO	City Administrative Officer

ITA reports that the Contractor was initially selected on a sole source basis. ITA indicated at the time the Contractor was selected that there were no other providers that could manage and operate Channel 36. Since that time, ITA has not conducted a competitive procurement process to determine if other providers would be available to perform this service.

In accordance with Charter Section 1022, the Personnel Department determined that City employees cannot perform the work proposed for contracting. In accordance with the Los Angeles Administrative Code Section 10.5(b)(2), Council approval of the proposed agreement is required because the term exceeds three years and the estimated annual compensation exceeds \$143,894.

RECOMMENDATION

That the Council approve and authorize the General Manager of the Information Technology Agency to execute Amendment No. 2 to the First Restated and Amended Grant Agreement C-108757 with the Los Angeles Cable Television Access Corporation, to extend the term by two years, for a new term of thirteen years effective July 1, 2005 through June 30, 2018, and to increase compensation by \$1.01 million, for a new total contract compensation amount not to exceed \$6.935 million, subject to the review and approval of the City Attorney.

FISCAL IMPACT STATEMENT

Funding of \$505,000 is included in the 2016-17 Proposed Budget, Telecommunications Liquidated Damages and Lost Franchise Fee Fund, Telecommunications Development Account, Grants to Third Parties line item. All funding for this Grant Agreement is subject to Mayor and Council approval through the annual budget process. There is no additional impact on the General Fund. Approval of the recommendation of this report complies with the City's Financial Policies as budgeted funds are available to support the proposed contract expenditures in 2016-17, and the Grant Agreement shall be subject to termination if funds are not appropriated in future fiscal years.