

Mayor and Council Communication

DATE: 06/16/20

M&C FILE NUMBER: M&C 20-0389

LOG NAME: 04LEVEL 3 VOICE AND INTERNET SERVICES

SUBJECT

Ratify Expenditures and Authorize the Execution of an Agreement with Level 3 Telecom Holdings, LLC Using a Cooperative Agreement for Continued Telecommunications Services at an Annual Cost of \$423,329.13 and Authorize Four Annual Renewal Options (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council:

1. Ratify expenditures in the amount of \$659,300.07 incurred by the City of Fort Worth for 19 months from December 1, 2018 through June 23, 2020 for internet circuits and telephone services; and
2. Authorize the execution of an agreement with Level 3 Telecom Holdings, LLC for telecommunication services for the Information Technology Solutions Department, using a General Services Administration Contract, at an annual cost of \$423,329.13 with four annual renewal options.

DISCUSSION:

On December 1, 2015, City Council approved M&C C-27542 which authorized a 3-year extension to City Secretary Contract No. 42303 with Level 3 Telecom Holdings, LLC. The M&C expired on November 30, 2018. Since that time, the Information Technology Solutions Department (ITS) has pursued a new multi-year agreement while the existing contract rolled into month-to-month coverage. ITS staff have continued to remit payment on monthly invoices to ensure continuity of services. Staff request that Council ratify expenditures in the amount of \$659,300.07.

The General Services Administration Contract No. (GSA) GS-35F-0426R offers fixed discounts. Staff reviewed the pricing and found it to be fair and reasonable.

State law provides that a local government purchasing an item under a cooperative purchasing agreement satisfies any state law requiring that the local government seek competitive bids for purchase of the item. The GSA contract was competitively bid to increase and simplify the purchasing power of government entities across the State of Texas.

A MBW/SBE goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

In order for the agreement to align with the City's Fiscal Year, adoption of this Mayor and Council Communication (M&C) technically authorizes (i) a series of purchase agreements, each of which will align to the terms of the respective cooperative contract to ensure legal authority exists for the contract, and (ii) an annual spend amount, future years of which would be subject to City Council appropriation. In the event that a cooperative agreement is not renewed, staff would cease making purchases at the end of the last purchase agreement coinciding with the valid cooperative agreement. If the City Council were to not appropriate funds for a future year, staff would cease making purchases when the last appropriation expires, regardless of whether the then-current purchase agreement has expired. If the cooperative contract is extended, this M&C authorizes the City to purchase similar products and services under the extended contracts. If the cooperative contracts are not extended, but a new cooperative contract is executed with Level 3 Telecom Holding, LLC. with substantially similar terms as the previous cooperative contract, this M&C authorizes the City to purchase the products under the new cooperative contracts.

An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

The current term of the GSA contract is set to expire on March 17, 2025. Upon Council approval, the new purchase agreements will shall become effective and expire on March 17, 2021 in accordance with the GSA contract.

This agreement may be renewed for up to four (4) one (1) year renewals in accordance with the terms of the GSA Contract No. GS-35F-0426R or applicable successor contract.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the General Fund to support the approval of the above recommendations and execution of the agreement. Prior to any expenditure being incurred, the Information Technology Solutions Department has the responsibility to validate the availability of funds.

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