AGENDA STAFF REPORT

Control: 26001902

MEETING DATE:	11/17/2026
LEGAL ENTITY TAKING ACTION:	Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S):	All Districts
SUBMITTING AGENCY/DEPARTMENT:	County Executive Office
DEPARTMENT CONTACT PERSON(S):	Ed Althof, 714-834-3069 Thuy Vu-Le, 714-834-2453

SUBJECT: Amendment to Contract with Level 3 for Wide Area Network Services

CEO CONCUR	**COUNTY COUNSEL REVIEW**	**CLERK OF THE BOARD**
Concur	Approve agreement to form	DISCUSSION 3 Votes Board Majority
Budgeted: Yes	**Current Year Cost:** $100,000	**Annual Cost:** FY 2027-28 $240,000 FY 2028-29 $240,000 FY 2029-30 $140,000
Staffing Impact: No		**Sole Source:** No
Current Fiscal Year Revenue: N/A	**Funding Source:** Information Technology ISF 289: 100%	**County Audit in Last 3 years:** No
Levine Act Review Completed? Yes		

Prior Board Action: 1/23/2024 #26, 5/23/2023 #50, 5/25/2021 #77, 5/7/2019 #S29A

RECOMMENDED ACTION(S):

1. Authorize the County Procurement Officer or Deputized designee to execute Amendment Number 22 to extend and amend the contract with Level 3 Communications, LLC D/B/A Lumen for wide area network services effective February 1, 2027, through January 30, 2030, in an amount not to exceed $720,000, for a revised cumulative total contract amount of $22,192,088.

2. Delegate to the Chief Information Officer or designee the authority to control the County's purchase and termination of circuit services, modify circuit services, approve charges, and approve operational details for circuit services provided under the Level 3 Contract.

SUMMARY:

Approval and authorization to execute Amendment Number 22 to the County's contract with Lumen will allow the County to maintain existing circuit services necessary for County business.

BACKGROUND INFORMATION:

The County currently procures network and telecommunications services from Level 3 Communications, LLC D/B/A Lumen (Level 3) to support the County's network and voice infrastructure. The contract for Wide Area Network services (Level 3 Contract) was originally established for the period November 14, 2006, through November 13, 2009, with Time Warner Telecom Holdings, Inc. (Time Warner) in 2006 as a result of a request for proposal (RFP) process. In 2009, Time Warner changed its name to TW Telecom Holdings, Inc., but continued operating as the same organizational entity until Level 3 acquired TW Telecom Holdings, Inc. in 2015, and assumed the Level 3 Contract. The Board approved the Assumption and Consent Agreement with Level 3 on June 16, 2015. On May 23, 2017, the Board authorized an extension to the term of the Level 3 Contract for a one-year period, effective June 14, 2017, through June 13, 2018. On November 1, 2017, CenturyLink, Inc. (CenturyLink) acquired the parent of Level 3 in a stock and cash purchase in which CenturyLink, Inc. would act as the ultimate parent entity and Level 3 operate as an affiliate of CenturyLink, Inc. in the CenturyLink portfolio of affiliated companies, doing business as "CenturyLink". Because Level 3 would remain a separate operating entity, the Level 3 Contract was not assigned or transferred to a separate CenturyLink entity.

On June 5, 2018, the Board authorized an additional extension to the term of the Level 3 Contract for the one-year period June 14, 2018, through June 13, 2019.

On May 7, 2019, the Board authorized an additional extension to the term of the Level 3 Contract for the period effective May 7, 2019, through June 30, 2021, and authorized the execution of Assignment, Transfer, and Assumption Agreement with Atos International, Atos Governmental IT Outsourcing Services, LLC (Atos), and Level 3 D/B/A CenturyLink to transfer to the County's contract with Level 3 for circuit and related services that Atos provided to the County as part of its service obligations under the Atos master services agreement, at no additional cost.

On September 14, 2020, CenturyLink announced the rebranding of the company as Lumen Technologies. However, at this time, ownership and structure of the affiliate companies remains unchanged.

On May 25, 2021, the Board authorized an additional extension to the term of the Level 3 Contract for the period effective July 1, 2021, through June 30, 2023.

On May 23, 2023, the Board authorized an additional extension to the term of the Level 3 Contract for the period effective July 1, 2023, through June 30, 2024.

On January 23, 2024, the Board authorized an additional extension to the term of the Level 3 Contract for the period effective February 1, 2024, through January 30, 2027. A more detailed history of the Level 3 Contract, including all other prior Board actions, is provided in Attachment C titled, "Contract History" and the contract and its prior amendments are attached in Attachment B.

<u>Proposed Amendment Number 22</u>

The cost breakdown is reflected in the chart below:

Description	Monthly Recurring Charge (MRC)	Term (Months)	Total
Existing & Estimated Future Circuits	$20,000	36	$720,000

OCIT will continue evaluating the most cost-effective approach for procuring the required circuit services after June 30, 2030, including the potential use of an existing cooperative contract, such as the California Network and Telecommunications Program (CalNet). However, several current circuits provide critical redundancy during emergencies and support the Office of the Public Defender. Furthermore, implementing circuit services requires a substantial initial investment by the circuit provider. Any additional circuit provider or carrier would need to recover the costs of installing new infrastructure at each applicable site, which would be cost-prohibitive for the County. Accordingly, OCIT requests an amendment to the current contract, which permits the County to terminate individual circuit services without cause by providing Level 3 with 30 days' written notice.

The Level 3 Contract does not include subcontractors or pass through to other providers. See Attachment D for the Contract Summary Form.

The Contractor's performance has been confirmed as satisfactory. OCIT has verified there are no concerns that must be addressed with respect to Contractor's ownership/name, litigation status or conflicts with County interests.

FINANCIAL IMPACT:

Appropriations for this Contract are included in Fund 289 FY 2026-27 Budget and will be included in the budgeting process for future years.

The Level 3 Contract includes a provision stating the contract is subject to, and contingent upon, applicable budgetary appropriations being approved by the Board for each year during the term of the contract. If such appropriations are not approved, the contract may be terminated without penalty to the County.

STAFFING IMPACT:
N/A

REVIEWING AGENCIES/DEPARTMENTS:
N/A

ATTACHMENTS:
Attachment A - Amendment Number 22 to Contract MA-017-16010665
Attachment B - Original Contract and Previous Amendments
Attachment C - Contract History
Attachment D - Contract Summary Form