



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 17-0652, **Version:** 1

- a. Approve Amendment No. 3 to the Sales Order Agreement with AMS.NET, Inc. for upgrade of the Monterey County Free Libraries' internet connections to extend the contract end date from June 30, 2017 to June 30, 2018.
- b. Authorize the Director of Monterey County Free Libraries to sign Amendment No. 3 to the Sales Order Agreement with AMS.NET, Inc.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve Amendment No. 3 to the Sales Order Agreement with AMS.NET, Inc. for upgrade of the Monterey County Free Libraries' internet connections to extend the contract end date from June 30, 2017 to June 30, 2018.
- b. Authorize the Director of Monterey County Free Libraries to sign Amendment No. 3 to the Sales Order Agreement with AMS.NET, Inc.

SUMMARY/DISCUSSION:

On December 13, 2016, the Board of Supervisors ratified Monterey County Free Libraries' (MCFL) federal E-rate application and the Sales Order Agreement with AMS.NET, Inc. as amended, to implement the upgrade of public wireless internet connections at library branches. The term of the Sales Order Agreement is from July 18, 2016 through June 30, 2017. MCFL is requesting that the Board of Supervisors authorize the Director of MCFL to execute an amendment that would extend the term of the contract through June 30, 2018 in order to complete the library system upgrade.

Because of the significant scope of the project and the necessity to coordinate all work with the County Information Technology Department, the project will not be complete by June 30, 2017, as projected. The Federal E-rate program makes allowances to provide E-rate discounts into the next E-rate funding year if planned work requires additional time. The new E-rate funding period runs from July 1, 2017 to June 30, 2018.

The vendor, AMS.NET Inc., has agreed to honor the terms of the original contract with MCFL for an additional year and to extend contract end date from June 30, 2017 to June 30, 2018. This will allow MCFL to complete the project and receive the E-rate discounts for this project. Under the E-rate program, AMS.NET, Inc. will bill the County for 15% of the project cost of \$185,000.00 and will be reimbursed by the federal government for the remaining 85%; the County's E-rate application is still pending but approval is expected.

The Scope of Work, Project Cost Summary and the rights and obligations of the parties under the Sales Order Agreement with AMS.NET, Inc. remain the same, with the exception of the contract end date. There is no change to the non-standard contract provisions previously approved by the Board. The Board is now asked to approve Amendment No. 3 to this agreement and to authorize the Director of MCFL to execute it.

In the unlikely case that E-Rate discounts are not approved, MCFL has budgeted funds to cover critical purchases up to the full value of the contract.

OTHER AGENCY INVOLVEMENT:

County Counsel continues to be unable to approve this Agreement due to continuation of nonstandard terms. Risk does not approve agreements which lack standard insurance and indemnification provisions. The Monterey County Information Technology Department was consulted regarding this nonstandard computer/technology project and confirms compatibility with County technology. County Counsel has reviewed the proposed Amendment No. 3 to the AMS.NET, Inc. Sales Order Agreement as to form.

FINANCING:

The recommended Sales Agreement provides for an amount not to exceed \$185,000.00 for equipment purchase and services. Upon approval of Amendment No. 3, the sum representing the total project cost will be available to MCFL to pay AMS, Net, Inc. as equipment is needed and work is completed through June 30, 2018. MCFL has budgeted funds to cover critical purchases up to the full value of the contract, within the E-Rate funding period, July 18, 2016 through June 31, 2018. Funds have been included in the Library Budget Unit 6110 for FY 16-17 and FY 17-18 to cover the project cost. There is no additional cost to the County General Fund associated with this recommendation.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The purpose of this contract is to upgrade public wireless internet connections at library branches that will allow and improve opportunities to seek information, inspiration, and enjoyment to the communities MCFL serve.

Check the related Board of Supervisors Strategic Initiatives:

- ☐ Economic Development
- ☐ Administration
- ☒ Health & Human Services
- ☐ Public Safety

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Approved by: Jayanti Addleman, Library Director, (831)883-7566

Attachments:

AMS.NET, Inc. Sales Order Agreement, E-Rate, and Amendment Nos. 1 and 2
Proposed Amendment No. 3