

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

262



FROM: Information Technology

SUBMITTAL DATE:
February 17, 2004

SUBJECT: VERIZON SERVICES AGREEMENT

RECOMMENDED MOTION:

Pursuant to applicable California Code, request the Board of Supervisors approve the Independent contractor agreement listed below, and authorize the Purchasing Agent to execute the agreement on behalf of the County.

<u>Vendor</u>	<u>Service</u>	<u>Annual Dollar Amount</u>
Verizon	Network Services	3.6 million

BACKGROUND:

On February 27, 2001, Agenda item 3.55, the Board of Supervisors approved a three (3) year agreement with Verizon (formerly GTE) for certain local and long-distance communications network services for the County of Riverside. This Form 11 requests a one (1) year extension which will run through February 26, 2005. The Verizon service area includes all cities in Riverside County, excluding greater Riverside, Corona, and Blythe. These areas will continue to be served by Pacific Bell, AT&T, and Citizens Telephone Company respectively.

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Matthew W. Frymire
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Interim Chief Information Officer

FINANCIAL DATA

Current F.Y. Total Cost:	\$	In Current Year Budget:	Yes
Current F.Y. Net County Cost:	\$	Budget Adjustment:	
Annual Net County Cost:	\$ 3.6 million	For Fiscal Year:	03/04

SOURCE OF FUNDS: Funds recovered through existing ISF Rates.

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

Terese Summers

- Dep't Recomm.: Consent
- Per Exec. Ofc.: Consent
- Policy
- Policy

Prev. Agn. Ref.:

District: A11

Agenda Number:

3.22

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VERIZON PHONE RATES
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Background (Continued)

Under this contract extension, Verizon will continue to provide network communications within its service areas (Local Access and Transport Areas) as described below:

Local Access and Transport Areas (LATA) is a geographic boundary defined by the Modified Final Judgment, which broke up the Bell System. There are 196 district LATA's. Riverside County has telephone service in LATA 5 and LATA 11. Verizon has the capability to provide local calling (intra LATA) and long distance calling (inter LATA).

Intra LATA services includes local service for business lines, Centranet Lines, Trunk Lines, data circuits, private lines, telephone call rates, and all other network services within the same geographic boundary.

Inter LATA services include network services required between LATA's, for example, a circuit from Blythe (LATA 5) to Indio (LATA 11) and long distance calling between Riverside County LATA's to all other LATA's.

It is important to note that since the Board approved the original agreement in February 2001, the County has more than doubled the amount of services from Verizon, taking full advantage of the overall savings offered in this agreement.

When the contract is enacted, all Riverside County services will continue to be aggregated and the monthly rates and the installation cost will reduce up to 25% depending on the services.

The annual savings estimate to the County of Riverside for these network services, versus standard tariff rates, is \$500,000.

PRICE REASONABLENESS:

All pricing under this agreement was based on competition and award was to the lowest provider. This competitive solicitation was conducted by San Bernardino County. Approval letters are in receipt from both San Bernardino County and Verizon for Riverside County to use this contract.