

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

315



**FROM:** Riverside County Information Technology (RCIT)

**SUBMITTAL DATE:**  
October 21, 2008

**SUBJECT: APPROVE THE USE OF THE STATE AGREEMENT FOR THE CALNET II COMMUNICATION TELEPHONE SERVICES WITH AT&T FOR RIVERSIDE COUNTY WITHOUT SECURING COMPETITIVE BIDS**

**RECOMMENDED MOTION:** In accordance with Ordinance 459.4, move that the Board of Supervisors:

1. Approve the CALNET II agreement with AT&T, for a two-year period, without securing competitive bids, and;
2. Authorize the Purchasing Agent to sign purchase orders under the State Contract CALNET II.

**BACKGROUND:** The County's current local and long distance communications network services contracts are soon to expire and RCIT wishes to use the California State Department of Technology Services (DTS) contract with AT&T identified as CALNET II, to provide communication services to California State and Local government agencies. The contract that is specific to AT&T has been finalized by the State as of January 2007, CALNET II MSA1 and 2 were awarded to AT&T. Upon approval, the County can begin obtaining the AT&T services offered within this State contract at the discounted pricing. State procurement awarded points for technical solution as well as price in the RFP. This contract was competitively bid for services. AT&T was awarded the contract based upon these State Procurement rules.

BR 09-020

*Matthew W. Frymire*  
Matthew W. Frymire - Chief Information Officer

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost: \$500,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	Budget Adjustment:	No
	Annual Net County Cost:	For Fiscal Year:	FY 2008-09

<b>SOURCE OF FUNDS: Departmental budgets</b>	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** APPROVE

BY: *Elizabeth J. Olson*  
Elizabeth J. Olson

**County Executive Office Signature**

FORM APPROVED COUNTY COUNSEL  
BY: *Pamela J. Walls* 11/12/08  
DATE  
PAMELA J. WALLS

Purchasing: *Mark Seller*  
Mark Seller, Assistant Director

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

Prev. Agn. Ref: ATTACHMENTS FILED WITH THE CLERK OF THE BOARD District: All Agenda Number:

**3.36**

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**Price Reasonableness**

The CALNET II contract was developed via a bid process overseen by State DTS. Both AT&T and Verizon were awarded contracts for specific communication services. By utilizing the CALNET II Agreement, the County will benefit from the purchasing power of the State.

AT&T provided customized prices per the RFP requirements. Prices vary per product and are below standard pricing. There was not an across the board discount applied, each product was customized individually.

Cost savings cannot be accurately calculated since the CALNET II pricing schedule would have to be compared to the standard pricing schedule on a per product basis which can change year to year. Also, a standard pricing schedule would not apply to large volume purchases since the County would apply for pricing on an individual case basis to receive additional discounts. The County is under no obligation to purchase any amount of service or product under this agreement.

These services are offered at deep discounts and execution of the Authorization commits the County to a two-year service contract with AT&T.