

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



ITEM
3.27
(ID # 3299)

MEETING DATE:

Tuesday, January 17, 2017


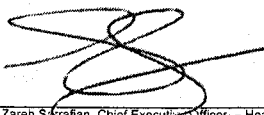
FROM : RIVERSIDE UNIVERSITY HEALTH SYSTEM and RIVERSIDE COUNTY
INFORMATION TECHNOLOGY:

SUBJECT: RUHS and RCIT – Approve Amendment No. 1 for Dark Fiber Services provided by Sunesys, LLC, for seven years [District 5]; [Year 1 cost - \$0, Year 2 cost - \$277,652, Years 3-7 cost - \$77,652; 100% RUHS Medical Center Enterprise Fund].

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and authorize the Board Chairman to execute Amendment No. 1 of the agreement with Sunesys, LLC, for dark fiber services, in the amount of \$200,000, with an aggregate amount of \$588,260, through December 31, 2022.
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on availability of funding and as approved by County Counsel, to sign amendments that do not change the substantive terms of the Agreement and to sign amendments to the compensation provision not exceeding 5 percent annually to cover increases in taxes, fees and surcharges.

ACTION: Policy



 Steve Breneker, Chief Information Officer 12/28/2016 Zareh Sazafian, Chief Executive Officer – Health System 1/4/2017

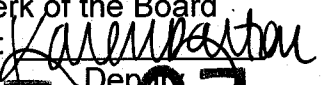
FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 277,652	\$ 588,260	\$77,652
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: RUHS Medical Center Enterprise Fund 40050 – 100%			Budget Adjustment: No	
			For Fiscal Year: 16/17 - 22/23	

C.E.O. RECOMMENDATION: Approve.

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Washington and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington and Ashley
Nays: None
Absent: None
Date: January 17, 2017
xc: RUHS, RCIT, Purchasing

Kecia Harper-Ihem
 Clerk of the Board
 By: 
 Deputy
3.27

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BACKGROUND:

Summary

Currently, RUHS is connected to the County network and RC3 data center through multiple Metro Ethernet circuits.

As a result of changing technology (such as: clinic applications using high bandwidth; virtual desktop infrastructure (VDI) hosted in the RC3 data center; recent rollout of Office 365; and deployment of the voice-over internet protocol (VoIP) phone system), demand for network connectivity has been increasing over the last few years, requiring migration to higher bandwidth capability through dark fiber infrastructure.

Amendment 1 proposes to increase the Sunesys agreement, in the amount of \$200,000, for installation of dark fiber and extend the agreement through December 2022.

The County currently pays \$172,000 annually for the circuit connection between the hospital and RC3 data center. Following installation of this higher speed connectivity, the existing circuits will be disconnected, resulting in a reduction of RUHS cost by \$94,348, to an annual cost of \$77,652.

In the future, RUHS plans to host more applications at the RC3 data center, potentially moving their entire data center to RC3, requiring high-speed bandwidth of 10 GBPS or more. As such, this improvement to the infrastructure will provide path diversity and network redundancy, in addition to reduced cost.

Supplemental:

Additional Fiscal Information

The existing agreement provides for a monthly charge of \$6,471 (\$77,652 annually) for dark fiber use, including utilities commission taxes, surcharges and fees. This recurring charge will be effective upon completion of the installation project, estimated at the end of July 2017.

Contract History and Price Reasonableness

On behalf of RCIT, Purchasing and Fleet Services released a Request for Quote (RFQ) (#ITARC-284) in October 2014 for dark fiber optic cable connectivity between RUHS and the County data center. The RFQ was sent to 153 companies; 28 companies accessed the bid and 4 attended the mandatory job walk. Sunesys was the only responsible bidder.

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Impact on Residents and Businesses

The increase in data network capacity will enable RUHS to handle the expected increase in egress and ingress traffic. In addition, it will improve reliability and reduce costs after the second year. There is no known impact to residents or businesses.



Jennifer Sargent, Principal Management Analyst 1/12/2017



SERVICE ORDER 2016-01

LICENSEE: County of Riverside
 Type of Service: SunDF – Dark Fiber
 Service Description (if applicable): 2 Strands in a Point to Point Configuration
 Order Date: December 21, 2016

This Addendum or Service Order 2016-01 (“Service Order”) is entered into pursuant to that certain MASTER TELECOMMUNICATIONS AND DARK FIBER SERVICE AGREEMENT dated February 4, 2015 between Sunesys, LLC (“Sunesys”) and the County of Riverside (“Licensee”) which sets forth the terms and conditions governing the lease of Licensee’s Fiber Optic Facilities and the provision of telecommunications services by Sunesys to Licensee (the “Agreement”). Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Agreement.

- I. Description of LICENSEE’s Fiber Optic Facilities: Two (2) strands of dark fiber, in a Point to Point Configuration between the A-LOCs and Z-LOCs described below.

Segment #1:

A-LOC	Z-LOC
Site Name: Riverside University Health System	Site Name: RC3 Data Center
Street Address: 26520 Cactus Avenue	Street Address: 1960 Chicago Avenue
Suite/Floor: 1 st Floor/MPOE	Suite/Floor: Existing Sunesys Panel
City/St/Zip: Moreno Valley, CA 92555	City/St/Zip: Riverside, CA 92507
Hand-Off Type: SC/UPC Fiber Panel	Hand-Off Type: SC/UPC Fiber Panel
Notes:	Notes:

Segment #2:

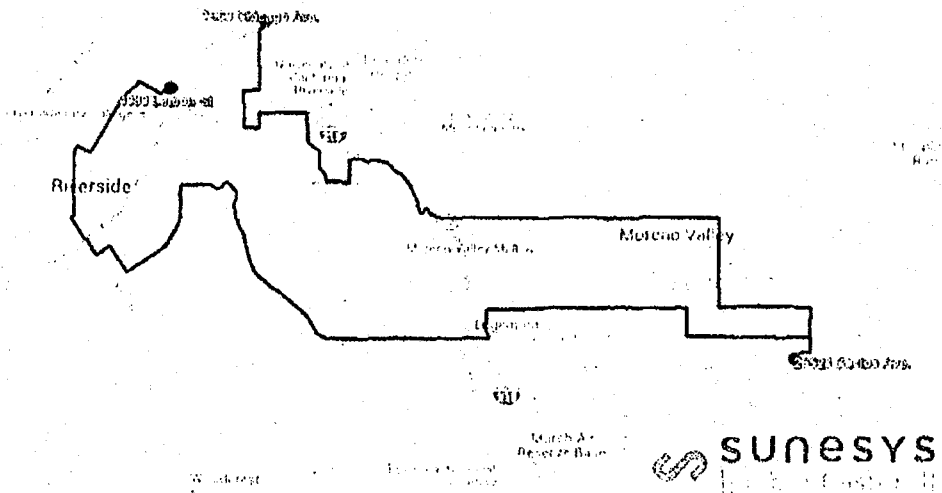
A-LOC	Z-LOC
Site Name: Riverside University Health System	Site Name: RCIT CAC
Street Address: 26520 Cactus Avenue	Street Address: 4080 Lemon Street
Suite/Floor: 1 st Floor/MPOE	Suite/Floor: 1 st Floor/MPOE
City/St/Zip: Moreno Valley, CA 92555	City/St/Zip: Riverside, CA 92501
Hand-Off Type: SC/UPC Fiber Panel	Hand-Off Type: SC/UPC Fiber Panel
Notes:	Notes:

County of Riverside – Service Order No. 2016-01
 Prepared by: Cristen Basilone
 Project ID#: 48164128
 Contract ID#: _____

JAN 17 2017 3.27



2. Preliminary Route map:



3. Estimated Completion Date:

Sunesys will use commercially reasonable efforts to complete the installation of the Licensee's Fiber Optic Facilities described herein by the date that is approximately twelve (12) months from the date that this Service Order is fully executed by both parties hereto.

4. License Fee; Payment Terms:

The License Fee for the Fiber Optic Facilities provided to Licensee hereunder shall be paid monthly in advance in the form of a monthly recurring charge (the "MRC"). The MRC shall be five thousand nine hundred fifty dollars (\$5,950.00) and shall commence on the Acceptance Date associated with Licensee's Fiber Optic Facilities provided pursuant to this Service Order.

The non-recurring charge (NRC) shall be two hundred thousand dollars (\$200,000.00) and shall be payable on the Acceptance Date for Lessee's Fiber Optic Facilities provided under this Service Order.

5. Term:

The initial term of this Service Order shall be sixty (60) months from the Acceptance Date for Licensee's Fiber Optic Facilities provided pursuant to this Service Order ("Initial Term").

6. Early Termination Liability:

In the event that Licensee terminates this Service Order, other than for cause, prior to the expiration of the Initial Term or then current Extension Term, Licensee shall pay Sunesys an early



termination liability equal to one hundred percent (100%) of the remaining unpaid MRCs from the date of termination through the end of the then current Term.

The parties agree that Sunesys' damages in the case of an early termination by Licensee for its convenience would be difficult to ascertain and calculate and accordingly they have negotiated the foregoing early termination liability as mutually agreed upon liquidated damages. The parties agree that this early termination liability is not a penalty.

7. Additional Terms:

The MRC contained in this Service Order does not include fees that may be charged by landlords or building owners for access to their properties. If fees are charged for access, those fees will be passed along to the Licensee in addition to the MRC stated herein.

The MRC contained in this Service Order does not include cross-connect charges within colocation facilities.

The MRC specified in this Service Order does not include any applicable Taxes. Applicable Taxes will be included in the monthly invoices sent to Licensee.

SUNESYS, LLC

By: [Signature]
Name: William G. Bryant
Title: VP REVENUE
Date: 12/28/2016

LICENSEE

By: [Signature]
Name: JOHN TAVAGLIONE
Title: CHAIRMAN, BOARD OF SUPERVISORS
Date: JAN 17 2017

ATTEST:
KECIA HARPER-IHEM, Clerk
By: [Signature]
DEPUTY

FORM APPROVED COUNTY COUNSEL
BY: [Signature] DATE 12/21/16
NEAL R. KIPNIS