

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



ITEM: 3.15
(ID # 24446)

MEETING DATE:
Tuesday, March 19, 2024

FROM : RIVERSIDE COUNTY INFORMATION TECHNOLOGY:

SUBJECT: RIVERSIDE COUNTY INFORMATION TECHNOLOGY: Approve the Purchase of Ciena's Multiprotocol Label Switching (MPLS) Transport Network Products, to significantly enhance network security and to continue to safeguard the County network; to be financed through the County line of credit with JPMorgan Chase & Co. for five (5) Years, All Districts. [Total Cost: \$2,834,242; RCIT Budget-100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the purchase of Ciena's Multiprotocol Label Switching (MPLS) Transport Network products for the total amount of \$2,834,242 to be financed through the County credit line with JPMorgan Chase & Co. for five (5) years; and
2. Authorize the Purchasing Agent to issue the purchase orders and process the finance documents with JPMorgan Chase & Co.


ACTION:Policy


Jim Smith, Chief Information Officer 3/6/2024

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Gutierrez and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington and Gutierrez
Nays: None
Absent: Perez
Date: March 19, 2024
xc: RCIT

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 566,848	\$ 2,834,242	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: RCIT Budget 100%			Budget Adjustment: No	
			For Fiscal Year: 24/25-28/29	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The request before the Board is to approve the purchase of Ciena's Multiprotocol Label Switching (MPLS) Transport Network Products to replace the County's previous solution which is reaching end-of-life (EOL). This purchase will be financed for five (5) years through the County's line of credit with JPMorgan Chase & Co. for a total aggregate cost of \$2,834,242.

RCIT is currently utilizing Dense Wave Division Multiplexer (DWDM) technology to support data capacity within County fiber networks. However, essential components of this system are approaching end-of-life (EOL) and will not be supported by the vendor. This replacement is necessary to continue to safeguard the County network.

After extensive evaluation, RCIT staff determined that MPLS is the most cost-effective and feasible solution as it maintains the same high level of service provided by DWDM throughout the County network while also elevating circuit bandwidths up to 400G for the County's primary network backbone. This enhancement translates to quicker and more efficient data transmission across the entire network. Moreover, MPLS introduces the capability to segregate networks for non-managed departments using a unified system. This segregation significantly enhances network security and organization, reducing the risk of unauthorized access or data breaches. Additionally, MPLS ensures redundancy for all configured circuits, automatically activating backup paths in the event of network failure or disruption. This feature minimizes downtime and guarantees uninterrupted service for all users, further reinforcing the reliability of the County network infrastructure.

Impact on Residents and Businesses

There is no negative impact on residents and businesses.

Additional Fiscal Information

RCIT requests to utilize the County's line of credit with JPMorgan Chase & Co. to finance the purchase, with the first installment due in FY24/25 and the final installment due in FY28/29, providing the most optimal financing terms and interest rate for the County. RCIT has the funding in its budget and the project payment installments are being included in future proposed budgets for subsequent years.

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The total price of Ciena's Multiprotocol Label Switching (MPLS) Transport Network Products is \$2,556,414, with annual payments anticipated to average approximately \$574,059. Based on the current indicative five-year interest rate of approximately 4.0% (as of 3/11/24), the total interest expense over the five years is estimated to be approximately \$278,000. Rates are subject to change before the receipt of equipment, however, once the purchase is finalized, the interest rate at that time will be locked in, and the lease amortization schedule will be provided to RCIT. The table below summarizes the estimated amortization schedule:

Item	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	Total
Ciena's Multiprotocol Label Switching (MPLS) Transport Network Products	\$566,848.36	\$566,848.35	\$566,848.36	\$566,848.36	\$566,848.35	\$2,834,241.78

Contract History and Price Reasonableness

Purchasing and Fleet Services, on behalf of Riverside Information Technology (RCIT), released Request for Quotes (RFQ #ITARC-527) for Ciena's MPLS RSP Transport Network on January 29, 2024. Upon bid closing on February 14, 2024, the County received two (2) responses from qualified resellers with prices ranging from \$2,556,414 to \$2,601,463. The responses were evaluated based on the bidders' qualification of being an authorized Ciena reseller, meeting all of the technical requirements, and providing the lowest cost to the County. After a thorough review by the County team, Presidio Networked Solutions Group, LLC was deemed to be the lowest, most responsive, and responsible bidder and recommended for award.

ATTACHMENTS:

None


 Meghan Hahn, Director of Procurement 3/7/2024


 Alonzo Barrera, Principal Management Analyst 3/11/2024


 Aaron Gettis 3/8/2024