

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

September 14, 2021

FROM

LARRY AINSWORTH, Chief Information Officer, Innovation and Technology Department

SUBJECT

Participation in the State of California CALNET Next Gen Services Contract with Verizon Business Services and AT&T Corp. for Telecommunication Services

RECOMMENDATION(S)

1. Authorize the Innovation and Technology Department to participate in the approved State of California CALNET Next Gen **Contract No. 21-653** with Verizon Business Services for telecommunication services, for the period beginning September 14, 2021, through June 30, 2025, in an amount not to exceed \$4,281,000, with one one-year option to extend.
2. Authorize the Innovation and Technology Department to participate in the approved State of California CALNET Next Gen **Contract No. 21-654** with AT&T Corp. for telecommunication services, for the period beginning September 14, 2021, through June 30, 2025, in an amount not to exceed \$1,629,000, with one one-year option to extend.
3. Approve State of California Non-State Entity Service Policy and Agreement form required to participate in the CALNET program.
4. Designate the Chief Information Officer as the authorized official to sign and submit the State of California Authorization to Order form and Non-State Entity Service Policy and Agreement form required to participate in the CALNET program.

(Presenter: Larry Ainsworth, Chief Information Officer, 388-5501)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of these contracts will not result in the use of Discretionary General Funding (Net County Cost). The costs associated with approval of these contracts shall not exceed \$5,910,000. Sufficient appropriation has been included in the Innovation and Technology Department (ITD) Telecommunication Services and Computer Operations 2021-22 Adopted Budgets and will be included in future Recommended Budgets. Operating costs are recovered via service rates approved annually by the Board of Supervisors (Board).

BACKGROUND INFORMATION

The California Network and Telecommunications (CALNET) Program is a centrally managed formal procurement for telecommunication services run by the California Department of Technology. CALNET is focused on providing services that meet the State's complex critical telecommunications and network business needs through oversight, statewide policy, and a

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suite of competitively bid statewide telecommunications contracts used by state and local agencies.

ITD operates and maintains the County wide area network, which is an integrated electronic telecommunications network that provides countywide data, voice, and video communications. It enables County departments to communicate with one another and offers secure and reliable access to data housed on County-managed information systems. ITD has used the CALNET Program since 2015 to facilitate the operation and maintenance of the County network.

On January 27, 2015 (Item No. 35), the Board approved participation in the approved State of California CALNET 3, which was subsequently extended three times on June 12, 2018 (Item Nos. 49 & 50), May 21, 2019 (Item No. 62), and June 9, 2020 (Item No. 32), for a total not-to-exceed amount of \$4,362,011 with Verizon and \$5,500,000 with AT&T through December 31, 2021.

Although CALNET 3 contracts formally expire at the end of the current calendar year, there is a transition process required to migrate CALNET 3 accounts to the CALNET Next Gen program, which replaces CALNET 3. Approval of these contracts will enable ITD to participate in the recently approved State of California CALNET Next Gen contracts with Verizon and AT&T for various telecommunication services and allow the vendors to conduct the transition process in order to prevent any disruption to the County's services. Participation in the CALNET Next Gen contracts will allow ITD to continue to provide a secure and reliable integrated telecommunications network to meet the County's needs.

Approval of the State of California Non-State Entity Service Policy and Agreement (NESPA) will certify the County's status as a local government entity per Public Contract Code Chapter 2, Paragraph 10295(a)(b). Recommendation No. 4 will allow the ITD Chief Information Officer to sign and submit the Authorization to Order forms, so long as such forms do not increase the total contract amounts of \$4,281,000 with Verizon and \$1,629,000 with AT&T or change the duration of the contract. The NESPA and Authorization to Order forms are required to participate in the CALNET Next Gen contracts with Verizon and AT&T.

PROCUREMENT

CALNET Next Gen contracts provide an array of comprehensive telecommunication services to all state agencies, which are provided through multiple competitively procured and priced vendor contracts. Per the CALNET Next Gen contract, any public agency defined in Government Code Section 11541 is allowed to order services and products under the contract. The CALNET Next Gen contract streamlines the ordering process statewide and eliminates the need for agencies to go through a lengthy procurement process. Local government agencies are encouraged, but not required, to use CALNET Next Gen contracts. These contracts provide a catalog of services and pricing for approved vendors, including AT&T and Verizon.

In addition to the State's procurement process for the previous version of CALNET (CALNET 3), on October 5, 2018, ITD issued a Request for Proposal (RFP) No. ISD119-ADM-3088 to identify vendors to provide countywide telecommunication services for the five-year period of July 1, 2019, through June 30, 2024. The intent of the RFP was to ensure cost competitiveness by presenting the opportunity for all interested and qualified vendors to submit their lowest pricing options. On June 11, 2019 (Item No. 34) and on July 9, 2019 (Item No. 19), the Board approved contracts with three of the five responding vendors: Frontier (Contract No. 19-394), CenturyLink

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(Contract No. 19-393), and Spectrum (Contract No. 19-478). The remaining vendors responding to the RFP were AT&T and Verizon, both who proposed their CALNET 3 contract pricing. As a result, on May 21, 2019 (Item No. 62), the Board approved the County's continued participation in the CALNET 3 contracts with both AT&T and Verizon by exercising its option to extend.

ITD recommends replacing CALNET 3 contracts with CALNET Next Gen instead of conducting a new RFP process, as CALNET Next Gen resulted from a formal procurement by the State of California, based in part on a best price comparison, and CALNET Next Gen represents AT&T and Verizon's current pricing to California government entities. Furthermore, the County telecommunication services purchased from AT&T and Verizon are needed based on specific geographical territory and/or are specific to an established service the County has in place and can only be provided by the aforementioned vendors.

As a result, ITD has determined that it is in the best interest of the County to continue to participate in CALNET Next Gen contracts with Verizon and AT&T due to the streamlined ordering process and to ensure the County continues to have the most cost-effective options available for the various telecommunication services required via competitively procured pricing.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, Deputy County Counsel, 387-5455) on August 20, 2021; Purchasing (Michael Candelaria, Lead Buyer III, 387-0321) on August 25, 2021; Risk Management (Victor Tordesillas, Interim Director, 387-5564) on August 24, 2021; Finance (Joon Cho, Administrative Analyst, 387-5402) on August 25, 2021; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-2073) on August 25, 2021.

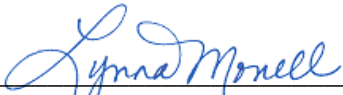
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Dawn Rowe
Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: September 14, 2021



cc: IT - Danczyk w/agrees for sign
Contractor - C/O IT w/agree
File - w/agree
CCM 09/17/2021