

REQUEST FOR COUNCIL ACTION

RCA# 9105

TO: Mayor via City Secretary

Subject: Approve an Ordinance Awarding a Contract to the Best Respondent for Next Generation Wireless Devices and Services

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34A 28A

FROM (Department or other point of origin):

Gary Morris
Deputy Director
Information Technology

Origination Date

June 24, 2011

Agenda Date

~~JUL 06 2011~~
~~JUN 29 2011~~

DIRECTOR'S SIGNATURE

Council District(s) affected
All

JUL 20 2011

For additional information contact:

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Frank Rodriguez Phone: (832) 393-0205

Date and Identification of prior authorizing Council Action:

RECOMMENDATION: (Summary)

Approve an ordinance awarding a contract to Sprint Solutions, Inc. in an amount not to exceed \$20,000,000.00 for next generation wireless devices and services.

Maximum Contract Amount: \$20,000,000.00

Finance Budget

\$20,000,000.00 - Central Services Revolving Fund (1002)

SPECIFIC EXPLANATION:

The Information Technology Department (ITD) recommends that City Council approve an ordinance awarding a three-year contract, with two one-year options, to Sprint Solutions, Inc., in an amount not to exceed \$20,000,000.00 for next generation wireless devices and services.

In June 2010 the City issued a Request for Proposal (RFP) to solicit responses for next generation wireless devices and services. Four vendors responded to this solicitation: AT&T Mobility, Sprint Solutions, Inc., T-Mobile, and Verizon Communications. An evaluation committee was formed to review responses and was composed of subject matter experts from the Houston Airport System (HAS), Houston Fire Department (HPD), Houston Police Department (HPD), Public Works & Engineering Department (PWE), Health & Human Services Department (HHS) and the Information Technology Department. Upon review of 1) written responses, 2) vendor oral presentations and 3) equipment testing the evaluation committee scored each vendor and Sprint Solutions, Inc. received the highest overall score and AT&T received the second overall score. ITD then entered into Best and Final Negotiations (BAFO) with the top two rated proposers and Sprint Solutions, Inc. provided a very aggressive pricing strategy.

In December 2010 ITD recommended Sprint Solutions, Inc. and the City entered into contract negotiations. Upon contract completion, ITD presented the negotiated contract to the Technology Initiatives and Human Services Committee on May 31, 2011.

The City Attorney was then asked to perform an additional BAFO with the top two rated proposers AT&T Mobility and Sprint Solutions, Inc. On June 21, 2011 both vendors presented their offers in person and further negotiated with the City Attorney. Upon completion of the negotiations, Sprint Solutions, Inc. is the recommended vendor. The additional negotiations with Sprint achieved the following benefits to the City:

- Credit in fiscal year FY12 in the amount of \$1.2 million
- Price reduction of 4G smart phones service by \$5 per unit
- \$30k/month discount in existing PWE Push-to-Talk services upon contract award

REQUIRED AUTHORIZATION

Finance Department:

Other Authorization:

Other Authorization:

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M/WBE Subcontracting:

This RFP was issued as a goal-oriented contract with an 5% M/WBE participation level. Sprint Solutions, Inc. has designated the below-named company as its certified M/WBE subcontractor.

<u>Subcontractor</u>	<u>Type of Work</u>	<u>Percentage</u>	<u>Amount</u>
Premier Paging, Inc.	Wireless Deployment, Delivery and Training	5%	\$1,000,000.00

The Mayor's Office of Business Opportunity will monitor this contract.

Pay or Play Program:

The proposed contract requires compliance with the City's 'Pay or Play' ordinance regarding health benefits for employees of City contractors. In this case, the contractor provides health benefits to eligible employees in compliance with City policy.

Estimated Spending Authority

Department	FY12	Out Years	Total Amount
Information Technology Department	\$3,000,000.00	\$17,000,000.00	\$20,000,000.00