

Next Generation Wireless RFP



Executive Summary

David Feldman

City Attorney

Legal Department

June 27, 2011





Agenda



Timeline



Data vs. Voice



3G Comparison



Value Added



MWBE



Wireless RFP Timeline



- | | |
|--|----------------|
| <input type="checkbox"/> Issue RFP | June 07, 2010 |
| <input type="checkbox"/> Proposals Due | August 6, 2010 |
| <input type="checkbox"/> Evaluation Process | Aug-Sept 2010 |
| <input type="checkbox"/> Best and Final Offer – Top 2 Bids | Oct-Nov 2010 |
| <input type="checkbox"/> Start Contract Negotiations | December 2010 |
| <input type="checkbox"/> Contract Development | Jan-March 2011 |
| <input type="checkbox"/> Committee & Council Consideration | May 2011 |
| <input type="checkbox"/> Additional Best and Final Offer | June 2011 |



Current Environment



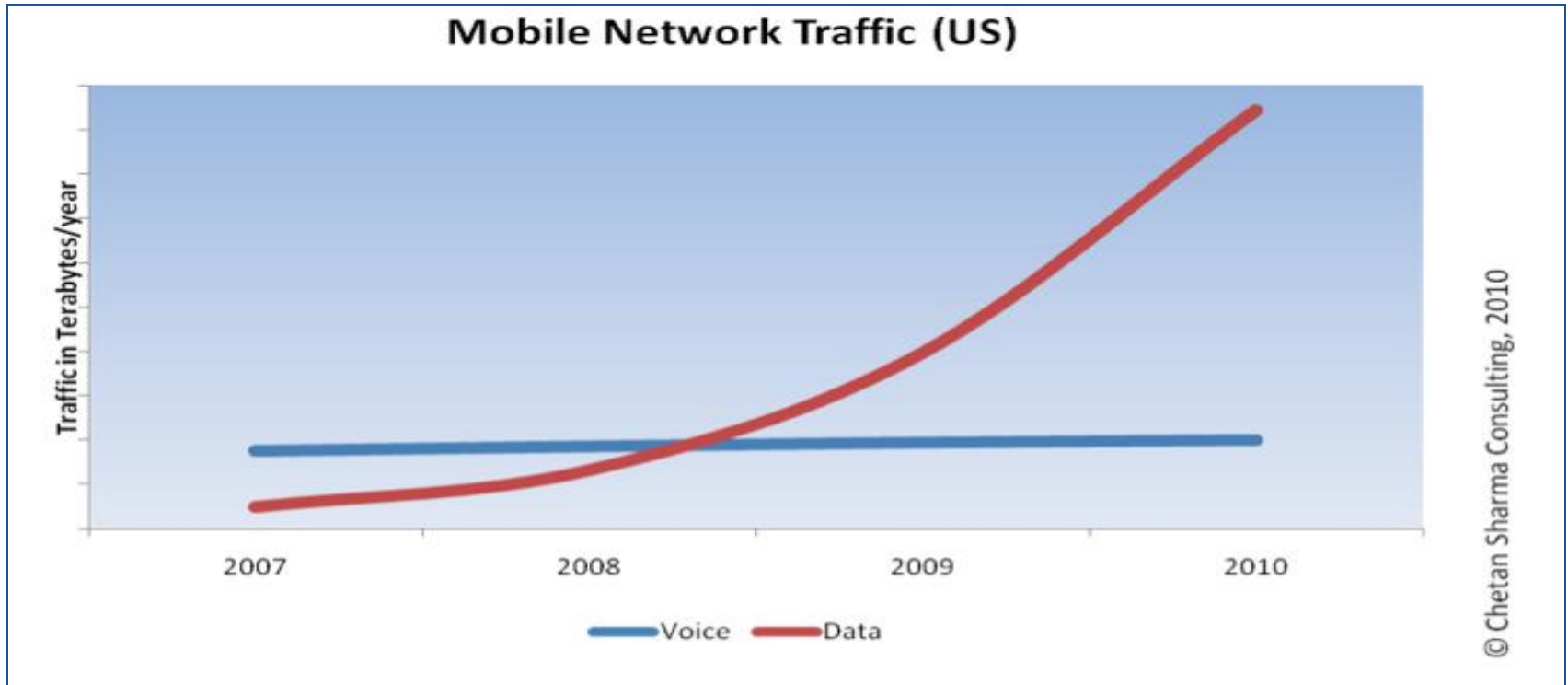
- **Devices**
 - Voice only – 4,894
 - Smart phones – 2,499
 - Data cards/USB devices – 2,592 (w/o HPD)

- **Total Wireless Spend**
 - FY2011 \$4.03M
 - FY2012 \$2.64M (Estimate)
 - FY2013 \$3.84M (Estimate)*
 - FY2014 \$3.84M (Estimate)*
 - FY2015 \$3.84M (Estimate)*

* Data pricing likely to decrease over time



Background – Data Growth



- Significant trending away from Voice to Data services indicates future device demand shift



Price Comparison



		1 st BAFO	2 nd BAFO	Final Negotiations
Sprint	Voice	\$ 4,500,000.00	\$ 4,500,000.00	\$ 4,500,000.00
	Data	\$ 8,780,405.00	\$ 8,780,405.00	\$ 8,720,405.00
	Subtotal	\$13,280,405.00	\$13,280,405.00	\$13,220,405.00
	Credit	-	(\$1,200,000.00)	(\$1,200,000.00)
	Total	\$13,280,405.00	\$12,080,405.00	\$12,020,405.00
AT&T	Voice	\$ 3,600,000.00	\$ 5,400,000.00	\$ 5,400,000.00
	Data	\$11,915,282.00	\$10,154,986.00	\$10,154,986.00
	Subtotal	\$15,515,282.00	\$15,554,986.00	\$15,554,986.00
	Credit	-	(\$2,191,250.00)	(\$2,253,000.00)
	Total	\$15,515,282.00	\$13,363,736.00	\$13,301,986.00



Added Value



Additional Contract Saving Opportunities with Sprint:

1. 20% Employee and Family Discount.
2. Billing Transparency.
3. Cell Phone Migration Plan.
4. Green Initiatives.
5. Excellent Record with Natural Disaster Response.
6. Committed to 5% MWBE Participation.
7. Will Work Pro-actively with the City to Find Cost Saving Measures.
8. Sprint Employs 462 Employees Living in Greater Houston Area.
9. Most Favored Nation Provision.
10. Sprint Employs 5,427 Direct Employees in Texas: Dallas, Ft. Worth, Lubbock, Midland, San Antonio, Austin, Corpus Christi, McAllen, El Paso and Temple.

Sprint®



Potential PWE PTT Annual Savings (60 mo)	\$	1,800,000
In-Building Antenna Allowance	\$	876,000
Up to \$100 Equipment Credit on activations	\$	875,000
Up to \$100 Equipment Credit 18 mo refresh	\$	875,000
	\$	4,426,000



MWBE Participation



MWBE Participation Goal - 5%

- Premiere Paging Inc., is owned by Ms. Lea Bogle and is certified as a Sprint Business Dealer (Sale of Cellular Phones, Accessories & GPS Services). Ms. Bogle is a certified Women Business Enterprise (WBE) with the CoH.
 - Assist in deployment & delivery
 - Logistics and on-site support
 - Training for Smartphones & Blackberries
 - Address book creation for non-Smartphones
 - Ongoing weekly maintenance of spare devices
 - City of Houston Employee program and Web site support