



Business Administration Committee

Pre-Solicitation Terms for Airport Telecommunications Contract

January 2012



Purpose

- Request the Business Administration Committee concur with the RFP terms and evaluation criteria to select a firm to provide Telecommunications support services to the Airports Authority's Airport Communications System (ACS).
- The current contract with Verizon Federal, Inc. (Option Year One six month extension) expires May 2012.

Background

- The incumbent contractor provides operation and maintenance support services for the ACS.
- The ACS provides voice (local and long distance), data, video, and inter/intra campus data and voice transmission to the Airports Authority and its tenants.
- The contract also provides labor and material for activities necessary to effect ACS changes, such as special tenant projects.

Discussion

- The Airports Authority off-sets annual Telecommunications contract expenses by selling services to its tenants.
- Despite successes in reducing Telecommunications expenses, the annual net expense (Revenue minus Expenses) consistently exceeds \$1.2 million.
- The current Verizon contract is structured as a fixed price for base services, which is approximately \$3 million or 60 percent of annual Telecommunications Expenses.
- The current contract structure does not provide detailed labor categories, rates, and hours expended in basic support of the Telecommunications Systems.

Discussion

- Staff's objective is to better manage the labor associated with maintaining telephone services at both campuses.
- Current Telecommunications services must be restructured to create greater efficiencies with tighter management controls on labor.
- As this is a significant change to the current contract, an RFP must be established to affect these changes.

Discussion

- Proposed RFP contract term will be an initial fourteen-month term (two months of transition services followed by twelve months of base services) with four one-year extensions.
- LDBE Participation Requirement will be 30 percent.
- Contract award will be based on the following criteria:
 - ✓ Price
 - ✓ Past Performance
 - ✓ Technical Approach
 - ✓ Management Approach

Conclusion

Staff requests Business Administration Committee concurrence with approval of the methodology and approach defined herein.