Executive Summary

David Feldman
City Attorney
Legal Department

June 27, 2011
Agenda

Timeline

Data vs. Voice

3G Comparison

Value Added

MWBE
Wireless RFP Timeline

- Issue RFP: June 07, 2010
- Proposals Due: August 6, 2010
- Evaluation Process: Aug-Sept 2010
- Best and Final Offer – Top 2 Bids: Oct-Nov 2010
- Start Contract Negotiations: December 2010
- Contract Development: Jan-March 2011
- Committee & Council Consideration: May 2011
- Additional Best and Final Offer: June 2011
• **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
Significant trending away from Voice to Data services indicates future device demand shift
## Price Comparison

<table>
<thead>
<tr>
<th></th>
<th>1&lt;sup&gt;st&lt;/sup&gt; BAFO</th>
<th>2&lt;sup&gt;nd&lt;/sup&gt; BAFO</th>
<th>Final Negotiations</th>
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</thead>
<tbody>
<tr>
<td><strong>Sprint</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Voice</td>
<td>$4,500,000.00</td>
<td>$4,500,000.00</td>
<td>$4,500,000.00</td>
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<tr>
<td>Data</td>
<td>$8,780,405.00</td>
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<td>$8,720,405.00</td>
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<td>Subtotal</td>
<td>$13,280,405.00</td>
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<td>Credit</td>
<td>-</td>
<td>($1,200,000.00)</td>
<td>($1,200,000.00)</td>
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<td>Total</td>
<td>$13,280,405.00</td>
<td>$12,080,405.00</td>
<td>$12,020,405.00</td>
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| **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   |
Additional Contract Saving Opportunities with Sprint:
1. 20% Employee and Family Discount.
3. Cell Phone Migration Plan.
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.

| 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