



Los Angeles County Service Authority for Freeway Emergencies
Kenneth Hahn Call Box System

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SAFE BOARD
DECEMBER 15, 2005

SUBJECT: KENNETH HAHN CALL BOX SYSTEM
DIGITAL WIRELESS SERVICE

ACTION: AWARD CONTRACT 05SAFE035 FOR DIGITAL WIRELESS
SERVICES

RECOMMENDATION

Authorize the Executive Officer to award a ten-year firm fixed-price indefinite quantity contract, Contract No. 05SAFE035, to Cingular Wireless for digital wireless services in an amount not to exceed \$ 5,650,000 inclusive of 2 two-year options, effective January 10, 2006.

RATIONALE

SAFE is responsible for oversight of the operation and maintenance of the Los Angeles County Kenneth Hahn Call Box System, currently comprised of approximately 4,500 call boxes throughout Los Angeles County. The call boxes currently operate using analog wireless service, provided by Cingular Wireless; however, the availability and reliability of analog service has greatly diminished as all service providers have migrated the majority of their wireless capabilities from supporting analog to digital wireless service. This transition, coupled with a FCC ruling allowing cellular providers to greatly reduce their support of analog wireless service by 2007 has made the continued use of analog wireless service unreliable and inefficient. This contract provides for the continued support of analog services for approximately two years until such time that call boxes can be transitioned to digital technology and provides for digital wireless voice and data services for each call box.

Proposals were evaluated according to SAFE's policies and procedures for competitive procurements. A technical evaluation team reviewed the two proposals received from Cingular Wireless and Verizon and found both technically acceptable. Verizon's cost proposal did not include the additional required charges for taxes and fees. The pre-tax per line charges were quoted at \$6.00 for Verizon and \$5.94 for Cingular. In addition, requested pricing for digital wireless data services were not included in either proposal. A written request for Best and Final Offers was issued to both parties, one Best and Final Offer was received from Cingular, and none was received from Verizon. Final negotiations were conducted with Cingular and voice services were reduced by over 20% from the original proposed amount.

FINANCIAL IMPACT

Funding of \$400,000 for wireless services is included in SAFE's approved FY06 budget under Cost Center 3351, Project 300209. Since this is a multi-year contract, the Cost Center Manager and SAFE Executive Officer will be accountable for budgeting the cost in future years, including any option(s) exercised. In FY05, SAFE expended \$413,603 for analog wireless services.

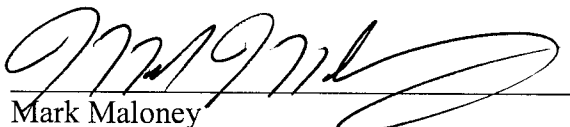
ALTERNATIVES CONSIDERED

The Board may decide not to authorize the execution of this contract. This alternative is not recommended as SAFE will be required to continue using analog wireless service for the call boxes, which will result in higher costs, less reliable service, and increased maintenance costs due to the reduction of analog service. This alternative will also lead to the eventual removal of the call box system as analog wireless services and hardware become unavailable.

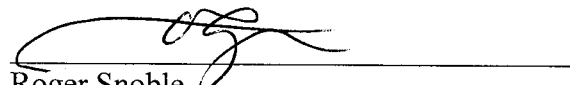
ATTACHMENTS

- A. Procurement Summary
- A-1. Procurement History
- A-2. List of Subcontractors

Prepared by: Kali Fogel, Project Manager
Mona Ismail, Contract Manager



Mark Maloney
Deputy Executive Officer



Roger Snoble
Executive Officer

**ATTACHMENT A
PROCUREMENT SUMMARY**

**CONTRACT NO. 05SAFE035
DIGITAL WIRELESS SERVICE**

1.	Contract Number: 05SAFE035		
2.	Recommended Vendor: CINGULAR WIRELESS		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$5,645,663	Recommended Price: \$5,650,000	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Unit Prices (Services)		
5.	Procurement Dates:		
	A. Issued: February 7, 2005		
	B. Advertised: February 7, 2005 through March 11, 2005		
	C. Pre-proposal Conference: February 16, 2005		
	D. Proposals Due: March 11, 2005		
	E. Pre-Qualification Completed: N/A		
	F. Conflict of Interest Form Submitted to Ethics: September 2, 2005		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: 0% SBE for base period + 0% of each option.	Date Small Business Evaluation Completed: N/A	
	B. Small Business Commitment: 0%		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 18	Proposals Downloaded: 32	Bids/Proposals Received: 2
8.	Evaluation Information: Both initial proposals did not include costs for data services and Verizon did not include costs for taxes and fees. No Best and Final Offer received from Verizon.		
	A. <u>Proposers Names:</u>	<u>Proposal Amount:</u>	<u>Best and Final Offer Amt:</u>
	Cingular Wireless Atlanta, GA	\$4,417,397	\$5,645,663
	Verizon Wireless, Irvine, CA	\$3,313,056	None received
	B. Evaluation Methodology: Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: December 30, 2005		
	B. Protest Receipt Date: TBD		
	C. Disposition of Protest Date: TBD		
10.	Contract Administrator: Mona Ismail	Telephone Number: 213/922-6966	
11.	Project Manager: Kali Fogel	Telephone Number: 213/922-2665	

ATTACHMENT A-1
PROCUREMENT HISTORY

CONTRACT NO. 05SAFE035
DIGITAL WIRELESS SERVICE

A. Background on Contractor

Cingular Wireless (Cingular) headquartered in Atlanta, GA with local offices in Cerritos, CA is a wireless carrier that has over 46 million customers. It currently provides analog wireless services to SAFE.

B. Procurement Background

SAFE determined to use a “best value” approach, which considered digital wireless service coverage, digital wireless service, and management skills as well as cost. The performance period included a base period of six years and options for two additional two-year periods. Staff believes the digital wireless service will provide communication services for the 10 year life cycle of a digital call box system. The schedule includes both voice and data services at quantities that are expected to satisfy current and future needs.

The Diversity and Economic Opportunity Department (DEOD) established an SBE goal of 0%.

C. Evaluation of Proposals

Proposals were evaluated according to SAFE’s policies and procedures for competitive procurements. A technical evaluation team comprised of staff from SAFE and independent technical consultants found both proposals technically acceptable. Written summaries of their findings led to questions that were clarified as needed. Verizon’s proposal did not include the additional charges for taxes and fees. In addition, requested pricing for digital wireless data services was not included in either proposal.

A written request for Best and Final Offers was issued to both vendors with requested information reiterated. One Best and Final Offer was received and final negotiations were conducted with Cingular. Cingular’s cost for voice services for the call box were reduced by over 20% from its original proposed amount and Cingular also provided the pricing for data services in accordance with the RFP requirements.

D. Cost/Price Analysis Explanation of Variances

The recommended price has been determined to be fair and reasonable based on comparisons to current costs and the offers received. The charges per line are \$6.00 for Verizon and \$5.94 for Cingular, not including taxes and fees. The recommended (annual) contract amount of \$565,000 is within SAFE’s internal estimate of \$750,000 - \$1,000,000. Based on the above, the cost is deemed to be fair and reasonable.

ATTACHMENT A-2
LIST OF SUBCONTRACTORS

CONTRACT NO. 05SAFE035
DIGITAL WIRELESS SERVICE

PRIME CONTRACTOR –
Cingular Wireless

Small Business Commitment

N/A (No Goal)

