



Enterprise Wireless Services Contract

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Chief Information Officer

February 6, 2020



# Bottom Line Up Front

Vendor:

GTE Mobilnet dba Verizon Wireless

Purpose: Award **new 5-year agreement** for citywide wireless equipment and services.  
Services include:

- Cell phones, tablets & hot spots for mobile workers citywide
- In-car computing connectivity for HPD, HFD & telehealth solution for EMS
- 250 HPW Wi-Max IoT connectivity for services such as waste water lift stations, drinking water plants, traffic signals, customer service, homeland security, and Library community center.

Total Requested Spend Authority: \$39,730,131

Rebates proposed & achievable: - \$ 6,095,000

Projected “real” spend over 5 years \$33,635,131

Contract Term: 3 years + 2 option years  
(February 25, 2020 – February 24, 2025)

MWBE Goal: 24%

# ATTAINMENT OFFER

Details of “rebate schedule” offered by the vendor

Attainment Minimum	One-Time Contract Deployment Offer (1 <sup>st</sup> 180 days)	Annual Payment Amount		
		Year 1	Years 2-4	Year 5
5,000	\$250,000	\$100,000	\$75,000	\$25,000
9,000	\$500,000	\$400,000	\$300,000	\$100,000
13,000	\$1,750,000	\$1,000,000	\$750,000	\$250,000
16,000	\$2,000,000	\$1,200,000	Yr 2 \$835,000 Yr 3	\$400,000
18,000	\$2,250,000	\$1,300,000	Yr 4 \$925,000	\$575,000
20,000	\$2,500,000	\$1,500,000	\$1,000,000	\$750,000
25,000	\$3,000,000	\$1,750,000	\$1,200,000	\$1,000,000

Maximum rebates offered under this agreement: \$9,350,000

Most likely achievable rebate total: **\$6,095,000**



Rebate checks will be credited back the City’s General Revenue Fund.

# New Contract Highlights

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- Lower monthly service unit cost
  - Savings of **\$38,431.14** per month *for same # of devices*
  - Current monthly invoice: \$576,560.72
  - Projected new monthly invoice: \$538,129.58
  - Annual savings: **\$461,173.68**
- Increased rebate potential
  - Current contract rebates received: \$3,500,000.00
  - New contract achievable rebates: \$6,095,000.00
- More free and reduced price device options
- Additional \$1M COH in-building enhancements
- MWBE commitment increased from 19% to 24%

# Detailed Expense Breakdown

## Showing Planned Growth

Description		Year 1	Year 2	Year 3	Year 4	Year 5	Total
Current	Plan	\$6,396,319.80	\$6,396,319.80	\$6,396,319.80	\$6,396,319.80	\$6,396,319.80	<b>\$31,981,599.00</b>
	Feature	\$61,235.16	\$61,235.16	\$61,235.16	\$61,235.16	\$61,235.16	<b>\$306,175.80</b>
	<b>Sub-Total</b>	<b>\$6,457,554.96</b>	<b>\$6,457,554.96</b>	<b>\$6,457,554.96</b>	<b>\$6,457,554.96</b>	<b>\$6,457,554.96</b>	<b>\$32,287,774.80</b>
New	HITS + all other depts (5% Increase)	\$192,700.91	\$395,036.87	\$607,489.63	\$830,565.03	\$1,064,794.19	<b>\$3,090,586.63</b>
	HPD (11% Increase)	\$250,250.77	\$528,029.13	\$836,363.11	\$1,178,613.83	\$1,558,512.12	<b>\$4,351,768.96</b>
	<b>Sub-Total</b>	<b>\$442,951.68</b>	<b>\$923,066.00</b>	<b>\$1,443,852.74</b>	<b>\$2,009,178.86</b>	<b>\$2,623,306.31</b>	<b>\$7,442,355.59</b>
<b>TOTAL</b>		<b>\$6,900,506.64</b>	<b>\$7,380,620.96</b>	<b>\$7,901,407.70</b>	<b>\$8,466,733.82</b>	<b>\$9,080,861.27</b>	<b>\$39,730,130.39</b>

# Detailed Expense Breakdown

## Showing Expenses by Account

Description		Year 1	Year 2	Year 3	Year 4	Year 5	Total
Current	HITS (+ other depts)	\$3,862,655.88	\$3,862,655.88	\$3,862,655.88	\$3,862,655.88	\$3,862,655.88	<b>\$19,313,279.40</b>
	HAS	\$328,529.64	\$328,529.64	\$328,529.64	\$328,529.64	\$328,529.64	<b>\$1,642,648.20</b>
	HPD	\$2,266,369.44	\$2,266,369.44	\$2,266,369.44	\$2,266,369.44	\$2,266,369.44	<b>\$11,331,847.20</b>
	<b>Sub-Total</b>	<b>\$6,457,554.96</b>	<b>\$6,457,554.96</b>	<b>\$6,457,554.96</b>	<b>\$6,457,554.96</b>	<b>\$6,457,554.96</b>	<b>\$32,287,774.80</b>
New	HITS (+ other depts)	\$120,700.91	\$323,036.87	\$535,489.63	\$758,565.03	\$992,794.19	<b>\$2,730,586.63</b>
	HAS	\$72,000.00	\$72,000.00	\$72,000.00	\$72,000.00	\$72,000.00	<b>\$360,000.00</b>
	HPD	\$250,250.77	\$528,029.13	\$836,363.11	\$1,178,613.83	\$1,558,512.12	<b>\$4,351,768.96</b>
	<b>Sub-Total</b>	<b>\$442,951.68</b>	<b>\$923,066.00</b>	<b>\$1,443,852.74</b>	<b>\$2,009,178.86</b>	<b>\$2,623,306.31</b>	<b>\$7,442,355.59</b>
<b>TOTAL</b>		<b>\$6,900,506.64</b>	<b>\$7,380,620.96</b>	<b>\$7,901,407.70</b>	<b>\$8,466,733.82</b>	<b>\$9,080,861.27</b>	<b>\$39,730,130.39</b>

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**Questions?**