INFORMATION TECHNOLOGY CONTRACT

ITEM: 6-IT Agency Contact: Ellis Kitchen (410) 260-2994

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DEPARTMENT/PROGRAM: Budget & Management (DBM)

Office of Information Technology (OIT)

CONTRACT ID: DBM-LD-9914:

State Long Distance Calling Services

ADPICS NO. 050B5800071

CONTRACT DESCRIPTION: Contract to provide long distance, long distance

calling card, and teleconferencing services, Statewide.

AWARD: Verizon Select Services, Inc.

Linthicum, MD

TERM: 9/1/2005 - 8/31/2010

AMOUNT: \$25,000,000 Est. (5 Years)

PROCUREMENT METHOD: Competitive Sealed Proposals

BIDS OR PROPOSALS: See Attachment

MBE PARTICIPATION: 5%

FUND SOURCE: Various

INCUMBENT: AT&T Corp.

Linthicum, MD

REQUESTING AGENCY REMARKS: A notice of the availability of the Request For Proposals (RFP) was advertised in the *Maryland Contract Weekly*, at DBM's website and at *eMarylandMarketplace.com*. Copies of the solicitation notice were mailed directly to 14 prospective vendors, 8 of which were Maryland firms, and included 1 MBE. A copy was also sent to the Governor's Office of Minority Affairs.

A total of 6 proposals were received for this contract, all of which were reasonably susceptible of being selected for award, as indicated in the Attachment. Financial offers were based upon a model in the RFP for evaluation purposes that had a fixed price component and a fixed unit price component at estimated quantities. Also, technical factors had greater weight than financial factors in the overall award determination.

Award is recommended to Verizon Select Services, Inc. ("Verizon"). Verizon's offer was deemed to be the most advantageous to the State because it had the second highest ranked technical offer and its offer was the second lowest in cost. The highest technically ranked offeror was 4.5% more costly than Verizon. However, it was deemed not worth the difference, while the least costly offer was ranked number five technically.

The *Award Amount* shown above is estimated and is based upon firm-fixed unit prices established in the contract. The actual amount paid to the contractor may be more than the estimated *Award Amount*. Payment will be made only for the actual amount of services provided.

RESIDENT BUSINESS: Yes

MD TAX CLEARANCE: 05-1547-1101

Board of Public Works Action - The above referenced Item was:

APPROVED DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION