

## DEPARTMENT OF GENERAL SERVICES OFFICE OF STATE PROCUREMENT ACTION AGENDA

July 17, 2024



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29-IT. **INFORMATION TECHNOLOGY** 

REVISED

**Department of General Services** 

Contract ID: Local Telecommunications Services; 001B2600465

ADPICS No.: 001B3600087

**Contract Description:** Local telecommunications services for State offices available for use by all executive branch State agencies and include all local network lines and local calls.

Award: Verizon Maryland LLC; Silver Spring, MD

Contract Term: 08/01/2024 - 07/31/2025 (w/four 1-year renewal options)

Amount: \$12,329,199.10 (Base Term)

\$ 5,000,000.00 (Renewal Option #1) \$ 5,000,000.00 (Renewal Option #2) \$ 5,000,000.00 (Renewal Option #3) \$ 5,000,000.00 (Renewal Option #4)

\$32,329,199.10 Total

**Procurement Method:** Competitive Sealed Proposals (Single Proposal Received)

## Proposals:

Offerors	Technical	Financial Offers	Overall
	Rankings	(Rankings)	Rankings
Verizon Maryland LLC, Silver Spring, MD	1	\$42,074,016.04 (1)	1

<sup>\*</sup>Technical and financial proposals were weighted equally.

Living Wage Eligible: Yes

MBE/VSBE Participation: 0% / 0%

Performance Security: No

Incumbent: Same



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## **29-IT. INFORMATION TECHNOLOGY** (cont'd)

**Requesting Agency Remarks:** A notice of the availability of the Request for Proposals (RFP) was advertised on eMaryland Marketplace Advantage (eMMA) on January 18, 2023 and six vendors were directly solicited. One proposal was received on May 19, 2024 and it was determined to be reasonably susceptible of being selected for award. The recommended offeror Verizon Maryland LLC was determined to be most advantageous to the State.

Local telecommunications services comprise the local network lines and local phone service call usage from the telephone company to State offices within local territories called Local Access and Transport Area (LATA). When AT&T was divested in 1984, LATAs were established for states to geographically delineate telecommunications traffic that could be handled by local telephone companies versus traffic that had to be dealt with as long-distance calls by a non-local telephone company. Maryland was separated into four LATAs, Baltimore, Washington, Hagerstown, and Salisbury to coincide with the geographic areas.

Pricing was compared to the current Local Telecommunications Services Contract 2014, and pricing increased an average of 12% to 31% for core services, which aligns with the telecommunications industry standard yearly inflation rate of 3%. The base term is in line with the extended price of all line items being in use for the entirety of the first year. Payment will be made only for the actual amount of services provided. The average spend of the current contract over the past four years is \$3,990,868.34 with a ceiling of \$5,000,000.00 each year. Based on a thorough review of the pricing submitted, Verizon Maryland LLC's offer was determined to be fair and reasonable.

MBE and VSBE participation was not established for this contract because there are no subcontracting opportunities.

*Fund Source*: 100% General Funds

Approp. Code: Various (Using Agencies)

**Resident Business:** Yes

**MD Tax Clearance:** 24-2145-1011

BOARD OF PUBLIC WORKS THIS ITEM WAS:

APPROVED DISAPPROVED

**DEFERRED** 

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION