Supplement D Department of Information Technology ACTION AGENDA August 14, 2019



DoIT 10D

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6-IT-MOD. DEPARTMENT OF INFORMATION TECHNOLOGY

Mobile Devices and Services

Contract ID: Mobile Devices and Services (MDS) Master Contract

ADPICS BPO No.: 060B3490004, COI31214

Contract Approved: DoIT Item 7-IT (11/14/2012) Verizon; T-Mobile

DoIT Item 3-IT-MOD (1/2/2013) AT&T DoIT Item 4-IT MOD (1/23/2013) Sprint

Contractor: Verizon Wireless, Laurel, MD

T-Mobile, USA, Owings Mills, MD AT&T Mobility, Hanover, MD

Sprint Solutions, Inc., Columbia, MD

Contract Description: Obtain mobile wireless services and equipment.

Modification Description: Extend term of each vendor's participation to bring them in line with the end date of the Lead State contract.

Original Procurement Method: Intergovernmental Cooperative Purchasing

[NASPO ValuePoint Contract #1907]

Original Contract Term: 11/15/2012 – 10/31/2016 Verizon; T-Mobile

01/08/2013 - 10/31/2016 AT&T 01/24/2013 - 10/31/2016 Sprint

Modification Term: 9/1/2019 - 12/31/2019

Original Contract Amount: \$12,000,000

Prior Modifications/Options: \$10,000,000 extension to 6/30/2019

(DoIT Item 2-IT-MOD [9/21/2019])

No cost extension to 8/31/2019

(DoIT-approved)

This Modification Amount: \$ 2,500,000 (four months)

Revised Total Contract Amount: \$24,500,000 Percent +/- (This Modification): +21% Overall Percent +/-: +104%

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6-IT-MOD. <u>DEPARTMENT OF INFORMATION TECHNOLOGY</u> (cont'd)

Mobile Devices and Services

MBE Participation: None

Remarks: DoIT has determined that continued participation in the NASPO (formerly WSCA) contract will provide greater cost benefits to the State than if the State procured these products and services independently. The NASPO ValuePoint alliance aggregates the demand of all 50 states, the District of Columbia, and U.S. territories.

There are currently 151 participants using this Lead State Master Contract (Nevada) for wireless services and equipment with six available vendors. This cumulative purchasing power, as well as multi-state and locality volume buying, results in more favorable rates than the State would otherwise obtain by contracting directly with these vendors.

The current Master Contracts with the Lead State were slated to end June 30, 2019; however, the four providers with whom Maryland contracted were extended until 12/31/2019 to allow participating states to transition onto the new NASPO Master Contract for Wireless Data, Voice and Accessories (2019-2024). DoIT now seeks to modify the current terms of its four vendors PAs to coincide with this new end date and provide sufficient time to negotiate new agreements under the new Master Contract.

The current request for \$2.5 million to support the extended term is a reasonable estimate based on contract usage during the prior fiscal year. Purchase orders drawn against the current contract are diverse in terms of value as usage varies greatly among agencies. The State has an overall spend of approximately \$4.8 million during FY 2019. Purchase order issuance has increased annually both in size and volume. Based on current spend-to-date and the rising usage, DoIT anticipates the annual dollar amount will exceed \$22 million in the requested period. As such, \$2.5 million represents the minimum amount DoIT estimates should be added to the contract to cover the next four months.

Fund Source: Various

Resident Business: Yes

BOARD OF PUBLIC WORKS ACTION - THIS ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION