




Interoffice Memorandum

December 29, 2017

TO: Mayor Teresa Jacobs
and the Board of County Commissioners

FROM:  Carrie Woodell, Manager, Procurement Division

CONTACT: Kris Shoemaker, Deputy Director/CFO, Convention Center
407-685-9827

SUBJECT: Award of Invitation for Bids Y17-155-TA, Step 2, Internet and
Telephone Provider Services for the Orange County Convention
Center

ACTION REQUESTED:

Approval to award Invitation for Bids Y17-155-TA, Step 2, Internet and Telephone Provider Services for the Orange County Convention Center, to the sole responsive and responsible bidder, Smart City Solutions, LLC, for a five-year term contract. Further request authorization for the Procurement Division to renew the contract for one additional five-year term. The estimated contract award amount for the initial term is \$5,038,650 and the estimated revenue projection is \$20,726,910 for the initial five-year period.

PROCUREMENT:

The Convention Center requires an on premise service provider to market and provide Internet, telephone, and network related services to external clients (exhibitors, attendees and show management companies) and internal clients (food service, business centers, airline baggage and valet service, audio visual equipment providers, etc.) on a revenue sharing basis. Additionally, this procurement establishes a fee schedule for the Convention Center's internal voice and data infrastructure projects to be purchased on an as needed basis.

APPROVALS:

The Convention Center and the Business Development Division concur with this recommendation.

DISCUSSION

This solicitation consisted of a two-step procurement process, Request for Qualifications, Step 1, followed by an Invitation for Bids, Step 2.

Award of Invitation for Bids Y17-155-TA, Step 2, Internet and Telephone Provider Services for the Orange County Convention Center

Four responses were received in response to the Request for Qualifications. A procurement committee evaluated the responses. As a result, three firms scored too low for further consideration and only Smart City Solutions, LLC qualified to advance to Step Two, the Invitation for Bids. The MWBE Requirements were evaluated during Step One, Request for Qualifications.

The solicitation consisted of three sections for the bidder to provide responses. Group A was percent rates for the Commissionable Revenue Share of the annual gross sales of internet and telephone provider services to external clients. Group B consisted of Contract Execution and Renewal Bonus amounts and a marketing fund allotment. Group C consisted of labor rates for project management, technician, conduit installation, connection of telephone and data lines, and network related materials and equipment to allow for the Contractor to provide maintenance, repair, and network upgrade services.

The Commissionable Revenue Share (Group A) was one half-percent more than current rate for each incremental threshold level. Based on the previous five-year average total revenue, this equates to approximately \$20,000 in additional commission per year to the Convention Center. Pricing for this section is considered competitive and reasonable.

The Contract Execution and Renewal Bonus amounts, combined with the Marketing Fund allotment (Group B), is collectively the same as under the current contract and therefore is considered fair and competitive. The new contract execution and renewal bonus amounts are \$100,000 less than under the current contract, but are offset by an equal increase of \$100,000 in the Additional Marketing Fund Allotment.

Unit prices for Group C were compared to multiple sources including the current internet and telephone provider services contract, as well as pricing of other sources including state and Federal contracts and other County contracts of similar items and services. The majority of the cost items within Group C were found to be either equivalent or less than comparative prices from current contract pricing or other market research sources. Therefore, the pricing for those items and services for purchase were determined to be reasonable. Items within Group C will be purchased on an as needed basis.

The bid provides the County with greater overall revenue compared to the current contract and also provides a comprehensive sourcing channel for materials and services related to the maintenance and operation of the network and communication infrastructure at the Convention Center.

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Services for the Orange County Convention Center

Bid Tabulation:

Smart City Solutions, LLC

Group A

Item 1	37%
Item 2	38%
Item 3	39%
Item 4	40%
Item 5	40%
Item 6	40%
Item 7	41%
Item 8	41%
Item 9	41%
Item 10	41%
Item 11	41%
Item 12	41%
Item 13	41%
Item 14	41%
Item 15	41%
Item 16	41%

Group B \$1,250,000

Group C \$5,038,650