

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
LEGAL
WORKING FILE

FROM: GRACE SEAMAN
DON HOWELL

DATE: OCTOBER 14, 2005

RE: 2005 IDAHO TELECOMMUNICATIONS RELAY SERVICE CONTRACT
AWARD.

BACKGROUND

The Idaho Telecommunications Relay Service (TRS) was established in 1992 pursuant to Title IV of the Americans With Disabilities Act (ADA), and 47 C.F.R. 64.601(7). The ADA provision established the requirements to provide access for a communications-impaired person to send and receive messages to and from a non-communications-impaired person. The Idaho legislature authorized the Commission to appoint a TRS Administrator to coordinate TRS services in Idaho Code § 61-1301. Idaho Code § 61-1303 outlines the responsibilities of the TRS Administrator. These responsibilities include: (1) consult with and receive recommendations from the advisory committee, or a representative thereof, appointed by the commission pursuant to section 61-1306, Idaho Code; (2) issue a request for proposals (RFP) to providers of message relay services requesting responsive proposals to provide such services as may be necessary for the program; (3) evaluate the responsive proposals and recommend one (1) or more proposals to the commission for its review and approval; and (4) enter into a contract with the provider of TRS, which contract and provider have been approved by the commission.

Hamilton Telecommunications is the current Idaho TRS service provider and its contract will expire on December 1, 2005. Consequently, the TRS Administrator, Mr. Bob Dunbar, prepared an RFP that was released on July 5, 2005 with a response due date of August 31, 2005. The term of the new contract is for three years with the option of two one-year extensions. Mr.

Dunbar received RFP bid responses from Sprint Communications and Hamilton Telecommunications.

EVALUATION OF THE RFP BIDS

The TRS Advisory Committee and the Administrator met on September 15, 2005 to review and discuss the RFP bid responses. The Committee determined that the Sprint bid was non-responsive to the RFP. Section 11.0 of the RFP document (the Bid Response Acknowledgement) required bidders to state that they acknowledge and understand sections 1 – 10 of the RFP. Sprint did not agree to sections 2.7.3 and 4.5. Section 2.7.3 of the RFP requires that the prime contractor must handle 90% of the relay traffic from Idaho. Section 4.5 of the RFP requires relay service user have access to 976 and 900 services.

Hamilton's bid price remains at the current rate of \$1.31 per conversation minute with no additional charges for the basic relay service as outlined in the RFP. Hamilton's price includes all equipment, personnel, facilities, software, and features and services (i.e. Speech to speech, Spanish and Intrastate Spanish translations to English relay service and visa versa, True Caller ID, Turbo Code, a complete in-state outreach program, plus all the features listed in Attachment M of the RFP). Hamilton will round the conversation time to the nearest second in its call detail records, and calculations for invoicing will be rounded to the nearest 100th of a minute. Time billed to the TRS program will begin when the called party answers after the Hamilton Communications Associate sets up the call, and it will end when the called party disconnects. Hamilton states that if additional features or services are required or desired during the term of the contract, Hamilton will provide pricing for those additional services to the Idaho Public Utilities Commission.

Sprint's bid quotation was stated as \$1.39 per minute if the State of Idaho applicable access charges do not apply or if the Commission waives these charges. If the access charges are not waived, and the charges must be born by Sprint, the price will be \$1.58 per conversation minute. It has not been the policy of this Commission to waive access charges. Therefore, Sprint's higher bid quote of \$1.58 must be the accepted per minute price over the discounted rate of \$1.39.

Following the September 15 meeting, each Advisory Committee participant privately evaluated and scored the bid response from Hamilton Telecommunications and delivered their results to the chairman of the Advisory Committee.

On September 29, Mr. Dunbar submitted a summary of the bid evaluations that were completed by himself and the Advisory Committee. The evaluators' average rating of Hamilton was 785 out of 1000 possible points and the Administrator's evaluation was 950 points. Mr. Dunbar concurs with the evaluation results of the Advisory Committee. He recommends that the TRS service contract be awarded to Hamilton Telecommunications.

STAFF RECOMMENDATION

Staff believes Hamilton has provided quality service to Idaho relay users and supports the recommendation of Mr. Dunbar and the Advisory Committee. Pricing information also suggests it is in the public's best interest to award the contract to Hamilton. Staff recommends that the Commission approve the TRS RFP recommendation and direct Mr. Dunbar to begin negotiations to secure a contract with Hamilton Telecommunications. The term of the contract is three years with the option for two additional one-year extensions.

COMMISSION DECISION

Does the Commission approve the recommendation of the TRS Administrator and the TRS Advisory Committee to award the TRS service contract to Hamilton Telecommunications?

Does the Commission wish to direct Mr. Dunbar to negotiate a three-year contract with Hamilton Telecommunications with the option of two one-year extensions?


Grace Seaman

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