

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: August 24, 2017

TO: Office of Commission Clerk (Stauffer)

FROM: Office of Industry Development & Market Analysis (Williams) *CW JA CH*
Office of the General Counsel (Page) *PHP SML.*

RE: Docket No. 20170039-TP – Request for submission of proposals for relay service, beginning in March 2018, for the deaf, hard of hearing, deaf/blind, or speech impaired, and other implementation matters in compliance with the Florida Telecommunications Access System Act of 1991.

AGENDA: 09/07/17 – Regular Agenda – Participation is Limited to Commissioners and Staff

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Brisé

CRITICAL DATES: Current contract with Sprint expires on February 28, 2018.

SPECIAL INSTRUCTIONS: Anticipate the need for sign language interpreters and assisted listening devices. Please place at the beginning of the agenda to reduce interpreter costs.

Case Background

The Telecommunications Access System Act of 1991 (TASA), Chapter 427, Part II, Florida Statutes (F.S.), requires the Florida Public Service Commission (Commission) to select a relay service provider and oversee the administration of the relay system. The Commission currently contracts with Sprint Communications Company, L.P. (Sprint) for the provision of relay service. The existing Florida relay service provider contract expires February 28, 2018. On February 28, 2017, Sprint provided notice to the Commission that, when the existing contract in Florida expires, it did not intend to extend the relay provider contract into the option periods at its

current price. Staff informed Sprint that any change in price for the relay service could only be effected through the Request for Proposals (RFP) process.

At the May 4, 2017 Agenda Conference, the Commission approved the issuance of the RFP. Accordingly, a Notice of Request for Proposals (Notice) was published in the Florida Administrative Register on May 16, 2017. Staff also posted a link to the RFP on the home page of the Commission's website under Hot Topics and placed it on the Florida Department of Management Services' Vendor Bid System. The deadline for filing proposals was June 16, 2017.

A proposal review committee (PRC) was established which consisted of nine members, one from the TASA Advisory Committee and eight members from Commission staff. Two of the staff members served as accountants reviewing the financial information of the companies. Five staff members, plus the TASA member, reviewed and scored the technical aspects of the proposals. A staff member was selected by the Director of the then Office of Telecommunications to serve as the PRC Chairman. To remain independent, the PRC Chairman did not participate in the scoring of the financial or technical proposals. The role of the PRC Chairman was to coordinate and oversee the procurement process, to gather materials from references specified in the proposals, to interface with the RFP respondents regarding clarifications and questions about their proposals, and to tabulate scores to identify the winning proposal.

Two companies, Hamilton Telecommunications (Hamilton) and Sprint submitted price and technical proposals. Evaluation of the proposals began with a pass/fail evaluation of 32 technical and two financial aspects of the proposals. This was followed by an evaluation of 36 technical aspects of the proposals, with an assignment of numerical scores for each of the 36 technical items. The price proposals were submitted in sealed envelopes separate from the companies' technical proposals and were opened in the Office of the Commission Clerk on July 24, 2017, after the technical scoring was completed. As previously approved by the Commission, a weight of 50 percent was applied to the technical aspect of the proposals and a weight of 50 percent was applied to the price aspect of the proposals.

This recommendation addresses which provider the Commission should select as the relay service provider. The Commission has jurisdiction pursuant to Section 427.704, F.S.

Discussion of Issues

Issue 1: Who should be awarded the Florida relay service provider contract?

Recommendation: Based upon the RFP evaluation process, staff recommends that the Commission select Sprint as the relay service provider and direct the Commission's Executive Director or designee to: (1) issue the attached letter of intent to Sprint and Hamilton Relay (Attachment A); (2) provide notice on the Florida Department of Management Services Vendor Bid System of the Commission's decision to award a three-year contract to Sprint to provide the statewide telecommunications relay service in Florida; and (3) finalize and sign a contract with Sprint to provide the Florida Relay Service. (Williams, Page)

Staff Analysis: The RFP encompassed the criteria in Section 427.704(3)(a), F.S., for the selection of the provider of the telecommunications relay service by the Commission. Section E of the RFP, entitled "The Evaluation Method to be Used and Filing Checklist," provides specific instructions and guidelines for the evaluation of the proposals. In accordance with the instructions, each RFP respondent's weighted percentage score for its technical proposal and its price proposal were added together to determine the proposal with the highest score.

Evaluation of Proposals

The PRC evaluated the technical proposals using a pass/fail criterion for some items and a point rating system for other items. Each proposal successfully advanced beyond the pass/fail section. After evaluating the pass/fail items, the evaluators scored the technical items and the technical scores were calculated. The price proposals were not opened until after the technical evaluations were completed.

The evaluators received specific forms on which to record their evaluations. The forms included an affidavit that each evaluator signed accepting the conflict of interest provisions in Section 427.704(3)(c), F.S. Also, each page of the forms included a place for the evaluator to indicate the date the evaluation was performed, a signature line, and a place to score the points or enter a pass/fail, whichever was appropriate for the item under evaluation.

Assignment of Points

Each technical evaluator independently assigned points within the RFP allotted range to 36 items. The items rated had maximum point values ranging from 25 to 200 points. The total points from each evaluator were added together to produce the total technical score for each proposal.

The technical and price proposals were evaluated, as described in Section E of the RFP, using a weighting of 50% for the technical and 50% for the price (broken down into 18.14% for Telecommunications Relay Service (TRS) and 31.86% for Captioned Telephone (CapTel) service). The weighted percentage scores for the technical proposal and the price proposal were then added together to produce a total score for each proposal. Table 1-1 below shows the results of the scoring.

TABLE 1-1
Summary of the Technical and Price Proposals

	Hamilton	Sprint
Total Technical Points	14,886.3	15,365.6
Highest Technical Score – Sprint	15,365.6	
Technical Evaluation (Bidder's score/highest possible score) X 0.5	0.3970	0.4097
Price Per Minute for TRS	\$1.89	\$1.35
Lowest Price – Sprint	\$1.35	
Price Evaluation for TRS (Lowest Price/Bidder's Price) X 0.1814	0.1296	0.1814
Price Per Minute for Captioned Telephone	\$1.55	\$1.69
Lowest Price – Hamilton	\$1.55	
Price Evaluation for Captioned Telephone (Lowest Price/Bidder's Price) X 0.3186	0.3186	0.2922
Total Score (Technical Evaluation + Price Evaluation)	0.8452	0.8833

Analysis of the Scoring

As shown in Table 1-1, Sprint received the highest technical rating with 15,365.6 points. Hamilton received 14,886.3 total points. Four of the six technical evaluators scored Sprint the highest, with two evaluators scoring Hamilton the highest. Sprint offered the lowest price per session minute for TRS at \$1.35. Hamilton's TRS price per session minute was \$1.89. Hamilton offered the lowest price per minute for captioned telephone at \$1.55. Sprint's captioned telephone price per minute was \$1.69.¹

¹ Sprint's proposal results in rate increases for TRS and CapTel service over current Sprint contract rates. Staff estimates that Florida Telecommunications Relay, Inc.'s Relay Provider Expense for Fiscal Year 2017-2018 will increase by approximately \$80,500.00 based on application of the new rates and minutes of use projections for March 1, 2018 through June 30, 2018 taken from FTRI's budget proposal in Docket No. 140029-TP.

Highlights of Sprint's Proposal

- **Sprint will continue to route all FRS calls to Sprint's Gold Star Communications Assistants (CA)** as it does in the current contract. Sprint acknowledges in its proposal that all relay CAs receive continuous training and are routinely evaluated to monitor service quality. However, Sprint explains that it takes several years of training and experience for a CA to reach Gold Star status. Further, Sprint explains that its training and quality assurance programs are designed to develop increasing numbers of Gold Star CAs. Sprint's commitment to routing Florida relay calls to Gold Star CAs should have a positive impact on communication between Florida TRS consumers and CAs, resulting in higher attainment on service quality measurements.
- **Sprint provides TRS from six relay centers and CapTel from eight centers** to meet its requirements and goals to provide reliable and cost-effective service. Some of the relay centers are operated by Sprint directly and some are operated by subcontractors which include Communication Services for the Deaf (CSD), which is a non-profit organization dedicated to serving the Deaf and Hard-of-Hearing community, and CapTel, Inc. (CTI), which has a long history of providing advanced assistive technology. Sprint currently does not operate a TRS center in Florida, but does provide CapTel service through its subcontractors in Orlando and Tampa. Sprint further states in its proposal that it has strategically placed many of its call centers in central locations to minimize the impact of hurricanes, tornadoes, and other catastrophes.
- **Sprint will continue to assign a Florida Relay Quality Assurance (QA) Manager** to oversee all areas of training, quality assurance, monthly testing, and customer feedback in Florida. Sprint QA managers coordinate all training and policies with the call center supervisors and trainers to maintain quality standards. Sprint QA managers and the call center training teams meet weekly to discuss changes and concerns, and how to address them.
- **Sprint will maintain an in-state Customer Relationship Manager** to lead the Consumer Input program, coordinate outreach efforts with the Florida Telecommunications Relay, Inc. (FTRI), and address relay user issues. The position also serves as a liaison between the QA manager, the Sprint Operations team, and the Commission.
- **Sprint will continue to conduct monthly TRS and CapTel Quality Compliance Testing** using an experienced third-party evaluator. In addition to Sprint's internal testing, Sprint has committed to use an independent company to evaluate Sprint's service quality. In its proposal, Sprint states that it will continue to engage Cositics LLC as its independent third-party tester to perform monthly testing.
- **Sprint commits to increase minutes provided for Relay Conference Captioning (RCC) Service** from 15,000 minutes to 30,000 minutes at no charge. In its proposal, Sprint explains that it doubled its RCC service offering free minutes as a result of increased demand from RCC users. Staff also received feedback from some RCC users on the benefits of the service. RCC provides live, real-time online captioning of meetings,

phone calls, and multi-party teleconference calls. RCC requires an Internet-connected computer, or laptop/tablet with high-speed Internet connection and is supported on mobile devices. As conference call participants speak, the CA transcribes the conversation over the internet to the RCC user. The RCC user can speak or type responses. Transcripts are also available at no additional charge.

Conclusion

Of the two proposals, the one with the highest total score is Sprint (see Table 1-1). As required by Section E of the RFP, staff recommends that the Commission contract with Sprint to provide the Florida Relay service for the next three years (March 2018 - February 2021) with the option of four additional one-year periods upon mutual agreement.

Based upon the RFP evaluation process, staff recommends that the Commission select Sprint as the relay service provider and direct the Commission's Executive Director or designee to: (1) issue the attached letter of intent to Sprint and Hamilton Relay (Attachment A); (2) provide notice on the Florida Department of Management Services Vendor Bid System of the Commission's decision to award a three-year contract to Sprint to provide the statewide telecommunications relay service in Florida; and (3) finalize and sign a contract with Sprint to provide the Florida Relay Service.

FINALIZATION OF THE CONTRACT

After the Commission vote on this recommendation, the Commission will post the notice of its decision on the Florida Department of Management Services Vendor Bid System. Persons will have 72 hours after the posting of the notice to protest the decision. In addition, the attached letter of intent (Attachment A) to contract with Sprint for relay service will be sent by certified mail to the two bidders. If no protest is filed in accordance with Section 120.57(3), Florida Statutes, using the electronic posting as the start date, staff should be directed to work with Sprint to finalize contract language and incorporate Sprint's response to the RFP, along with the RFP, as the contract. The contract is to be signed by an authorized Sprint representative, and the Commission's Executive Director or designee. Two originals would be signed so each party has an original signed contract.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open for the life of the contract. (Page)

Staff Analysis: This docket will address all matters related to the relay service throughout the life of the contract. Therefore, this docket should remain open for the life of the contract.

September xx, 2017

DELIVERED VIA E-MAIL AND
CERTIFIED MAIL – RETURN RECEIPT REQUESTED

(ADDRESSEE)

Dear (addressee):

It is the intent of the Florida Public Service Commission to award a three year contract as provider of the statewide telecommunications relay system in Florida to Sprint Communications Company, L.P. (Sprint). Please accept our sincere appreciation for participating in the Request for Proposals process.

You are reminded that pursuant to Section 120.57(3), Florida Statutes (F.S.), any party choosing to file a protest of the Commission's intent to award the contract to Sprint must file a notice of protest in writing within 72 hours after the decision is posted on the Florida Department of Management Services Vendor Bid System. The party is then required by Section 120.57(3), F.S., to file a formal written protest within 10 days after filing the notice of protest. Such formal written protest shall state with particularity the facts and law upon which the protest is based. Failure to file a protest within the time prescribed in Section 120.57(3), F.S., or failure to post the bond or other security required by law within the time allowed for filing a bond shall constitute a waiver of proceedings under Chapter 120, F.S..

All documents should be filed in Docket No. 20170039-TP and addressed to Ms. Carlotta Stauffer, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, Attention: Pamela Page.

Sincerely,

Executive Director or Designee