

AWARDS COMMITTEE

MINUTES

Awards Committee met on **February 21, 2019**, in the Conference Room, 8th Floor, JEA Tower, 21 West Church Street, Jacksonville, Florida. The meeting was called to order at 10:03 a.m. Members in attendance were Jenny McCollum as Chairperson, Laure Whitmer as Budget Representative, Emerson Lotzia as General Counsel Representative; with John McCarthy, Caren Anders, Sean Conner, Ted Hobson, Steve Selders as voting Committee Members;

Jason Behr, Cecil Camacho, Dan Kruck, Nick Dambrose, Colin Roddy, David King, Joe Perez, Stephen Datz, Kenny Pearson, Chrissy Nunziato, Elaine Selders, Maurice Scarboro, Payson Tilden, Nathan Woyak, Greg Williams, Jon Barger, Kymberly Traylor, Rachelle Weir, Lindsay Starner, Beth DiMeo, Maria Betancur, Matt McClure, Jay Magee, David Goldberg

Awards:

1. Approval of the minutes from the last meeting (02/07/2019). **APPROVED**
2. Request approval for a one (1) year renewal to CLEAResult Consulting, Inc., for the energy efficient products program and electric vehicle rebate and processing program in the amount of \$585,750.00, for a new not-to-exceed amount of \$2,594,333.33, subject to the availability of lawfully appropriated funds. **DEFERRED**
3. Request approval to award a one (1) year contract renewal to Message Broadcast for customer alerts in the amount of \$461,600.00, with a new not-to-exceed amount of \$1,996,345.00, subject to the availability of lawfully appropriated funds. **APPROVED w/Discussion**
4. 041-19 – Request approval to award a contract to Callaway Contracting, Inc. for construction services for the Bernita St. Force Main and Water Main Replacement in the amount of \$1,654,770.00, subject to the availability of lawfully appropriated funds. **APPROVED w/Discussion**
5. Request approval to award a change order to Geosyntec Consultants, Inc. for the Northside Corrective Measures Implementation project in the amount of \$1,331,760.00, for a new not-to-exceed amount of \$2,544,168.00, subject to the availability of lawfully appropriate funds. **APPROVED w/Discussion**
6. 006-19 - Request approval to award a contract to Gresco Supply Inc. (\$8,141,362.35), Stuart C Irby CO. (\$2,527,754.88), Anixter Inc. (\$1,222,911.45) and Electric Supply Inc. (243,360.00) for the supply of Secondary and Fiber Optic Wire and Cable carried in JEA's inventory stock in the amount of \$12,135,388.68, subject to the availability of lawfully appropriated funds. **APPROVED w/Discussion**
7. Request approval to award a three (3) year contract to Software House International, Inc. for the Microsoft Enterprise Agreement for Annual Maintenance and Support of Microsoft licenses in the amount of \$2,537,236.20, subject to the availability of lawfully appropriated funds. **APPROVED w/Discussion**
8. Request approval to award a change order to AT&T for Telephony, Network, Internet & Telecommunications Services in the amount of \$483,989.80, for a new not-to-exceed amount of \$2,485,673.32 subject to the availability of lawfully appropriated funds. **APPROVED w/Discussion**

Ratifications: N/A

Informational Items: N/A

Public Comments: N/A

Adjournment: 10:45 a.m.



Formal Bid and Award System

Award #3 February 21, 2019

Type of Award Request: RENEWAL
Request #: 6494
Requestor Name: Magee, Jay B. - Manager Digital Communications
Requestor Phone: 904-665-4778
Project Title: Customer Alerts and Preferences
Project Number: 10500
Funds: O&M
Budget Estimate: \$461,600.00 (O&M budget line 825)

Scope of Work:

Message Broadcast has implemented a customer alert platform that is used by JEA to setup and manage ongoing, triggered and ad hoc customer alerts. The Message Broadcast platform allows JEA to manage all alerts, email, text/SMS (two way), voice (two way), and print, through one (1) interface. The platform hosts the Customer Preference Center (allowing customers to select how, when and what messages they wish to receive) and store customer alert preferences (data hosting). The platform integrates with systems currently used by JEA.

This project will positively affect JEA Measures of Value:

- **Customer Value:** The ability to rapidly disseminate important messages to all JEA stakeholders via SMS, email or voice through a consistent digital platform will help position JEA as a trusted adviser, especially in crisis situations such as storm/gray sky.
- **Community and Environmental Value:** The Message Broadcast platform provides a cost-efficient means to disseminate messages about JEA’s community engagement programs and environmental stewardship. Furthermore, the digital media used through the platform replaces tangible and more costly resources such as paper, which mean fewer landfill or recycling inputs to the environment.
- **Financial Value:** JEA is committed to consolidating key alerts and notifications in a repository managed by Message Broadcast, which drives economies of scale through working with a single vendor. The digital message dissemination also replaces more costly per-unit communication channels such as mailings and tangible resources such as paper, ink, printing, etc.

JEA IFB/RFP/State/City/GSA#: 096-15
Purchasing Agent: Dambrose, Nick
Is this a ratification?: NO

RECOMMENDED AWARDEE(S):

Name	Contact Name	Email	Address	Phone	Amount
MESSAGE BROADCAST	Pooja Shah	pshah@messagebroadcast.com	4301 WESTBANK DR BLDG A SUITE 250, AUSTIN TX 78746	949.428.7852	\$461,600.00

Amount of Original Award: \$1,524,800.00
Date of Original Award: 12/17/2015
Renewal Amount: \$461,600.00

List of Previous Change Order/Amendments:

CPA #	Amount	Date
151173	\$9,945.00	02/22/2017

New Not-To-Exceed Amount: \$1,996,345.00
Length of Contract/PO Term: Three (3) Years w/Two (2) – 1 Yr. Renewals
Begin Date (mm/dd/yyyy): 03/11/2016
End Date (mm/dd/yyyy): 03/11/2020
Renewal Options: YES – One (1) – 1 Yr. Renewals
JSEB Requirement: JSEB participation was an evaluation criterion
Comments on JSEB Requirements: Proposer did not name a JSEB firm.

Background/Recommendations:

Originally approved by Awards Committee on 12/17/2015 in the amount of \$1,524,800.00 to Message Broadcast through the competitive bidding process. A copy of the original award is attached as backup.

On 11/10/2016, an increase of \$9,945.00 was added for additional scope to add professional service hours to Research and Development, for proof of concept for passing account number as ANI and through SIP and additional scripting and programing for all pending alerts and channel additions.

This request is for a one (1) year contract renewal from 03/11/2019 to 03/10/2020 and increase in funds of \$461,600.00. During the renewal Message Broadcast will continue to operate under the same goals and annual budget. All monthly rates will remain the same as originally awarded. The original rate sheet is attached as back-up. JEA may use the final renewal or may rebid these services following this renewal. The awarded amount is the same as the O&M budget.

Message Broadcast has been an important business partner in ensuring JEA can rapidly distribute messages to key stakeholders through email, voice and SMS platforms. JEA is currently migrating and consolidating alerts and notifications from in-house data systems to MB as the primary data repository for Alerts Preference Center. JEA is also currently exploring further strategic opportunities with Message Broadcast which include leveraging its proprietary EONS platform and MobileRIGHT solutions, which could aid JEA in more efficiently and rapidly deploying messages to key stakeholders through voice and SMS platforms, cutting delivery windows during outage/storm/gray sky situations.

Request approval to award a one (1) year contract renewal to Message Broadcast for customer alerts in the amount of \$461,600.00, with a new not-to-exceed amount of \$1,996,345.00, subject to the availability of lawfully appropriated funds.

Director: Goldberg, David M. - Director Customer & Community Engagement
VP: Stewart, Kerri - VP & Chief Customer Officer

APPROVALS:

Josman 2/21/19
Chairman, Awards Committee Date

John A. Minic 2/21/19
Manager, Capital Budget Planning Date



Formal Bid and Award System

Award #4 February 21, 2019

Type of Award Request: BID (IFB)
Request #: 6468
Requestor Name: Betancur, Maria A. – Staff Engineer
Requestor Phone: (904) 665-7215
Project Title: Bernita St. Force Main and Water Main Replacement
Project Number: 8004823 - 8004188
Project Location: JEA
Funds: Capital
Budget Estimate: \$2,050,000.00

Scope of Work:

This request is to solicit bids for construction services to build approximately 2,080 LF of 8-inch new water main and 2,700 LF of 20-inch new sewer force main along Harris Avenue, Bernita St, Arlington Road, Commerce Street, and Macy Avenue by open cut method and replace the existing junction manhole at the Monterey Waste Water Treatment Plant. The existing pipes and structure are in poor condition and need to be upgraded to meet current transmission and collection demands.

This project will positively affect the following JEA Measures of Value:

- Customer Value: Improves customer’s water reliability and service by replacing aging galvanized and cast iron water mains and services.
- Community Value: Improves water and sewer system reliability by replacing aging infrastructure.
- Environmental Value: Reduces/eliminates Sanitary Sewer Overflows (SSOs) from the failing sewer force main.
- Financial value: Reduces amount of unaccounted/unbilled water by reducing water main leaks/breaks. Reduces/eliminates potential fines for SSOs from the failing sewer force main.

JEA IFB/RFP/State/City/GSA#: 041-19
Purchasing Agent: King, David
Is this a Ratification?: NO

RECOMMENDED AWARDEE(S):

Name	Contact Name	Email	Address	Phone	Amount
CALLAWAY CONTRACTING, INC.	Jeremy Isbell	jeremy@callawaycontracting.com	10950 New Berlin Rd, Jacksonville, FL 32226	(904) 751-8944	\$1,654,770.00

Amount for entire term of Contract/PO: \$1,654,770.00
Award Amount for remainder of this FY: \$1,518,000.00

Length of Contract/PO Term: Project Completion
Begin Date (mm/dd/yyyy): 3/22/2019
End Date (mm/dd/yyyy): Project Completion (Expected: 01/23/2020)
JSEB Requirement: Ten Percent (10%) Goal
Comments on JSEB Requirements:
 Donna J. Hamilton (Material Supplier) - 10%
 Legacy Engineering (Testing) - 0.7%

BIDDERS:

Name	Amount
CALLAWAY CONTRACTING, INC.	\$1,654,770.00
J. B. COXWELL CONTRACTING, INC.	\$1,679,809.50
DB CIVIL CONSTRUCTION, LLC	\$1,868,994.50
T. G. UTILITY COMPANY, INC.	\$2,154,700.00
UNITED BROTHERS DEVELOPMENT CORP.	\$2,198,640.35
GRIMES UTILITIES, INC.	\$2,596,186.00
T B LANDMARK CONSTRUCTION, INC.	\$2,825,298.00

Background/Recommendations:

Advertised on 01/02/2019. Eight (8) prime contractors attended the optional pre-bid meeting held on 01/10/2019. At Bid opening on 02/12/2019, JEA received seven (7) Bids. Callaway Contracting, Inc. is the lowest responsive and responsible Bidder. A copy of the Bid Form and Workbook are attached as backup.

The award amount of \$1,654,770.00 is approximately nineteen percent (19%) lower than the budget estimate due to reductions in material quantities (temporary asphalt, sodding, and A3 fill) after the solicitation was released. Additionally, material costs (piping and valves) were lower on the bid than the estimate. Budget has been reduced to match award amount.

Project Budget and Schedule Details:

- Construction Budget Estimate (at the time of Bid): \$2,050,000.00
- Construction Cost: \$1,654,770.00
- Engineering Budget Estimate (at the time of Proposal): \$185,085.00
- Total Engineering Cost (including any Change Orders): \$192,315.00 (9.4% of Construction Budget Estimate)
- Engineering Firm: Jones Edmunds

- Project Completion Key Dates (Estimated):
 - Construction Start: 03/22/2019
 - Substantial Completion: 12/23/2019
 - Final Completion: 01/23/2020

041-19 – Request approval to award a contract to Callaway Contracting, Inc. for construction services for the Bernita St. Force Main and Water Main Replacement in the amount of \$1,654,770.00, subject to the availability of lawfully appropriated funds.

Manager: DiMeo, Elizabeth A. - Mgr W/WW Project Management
Director: Conner, Sean M - Dir W/WW Project Engineering & Construction
VP: Calhoun, Deryle I. - VP/GM Water Wastewater Systems

APPROVALS:

 _____ 2/21/19

Chairman, Awards Committee **Date**

 _____ 2/21/19

Manager, Capital Budget Planning **Date**



Formal Bid and Award System

Award #5 February 21, 2019

Type of Award Request: CHANGE ORDER
Request #: 6521
Requestor Name: McClure, Matthew R (Matt) - Environmental Engineer
Requestor Phone: (904) 665-6253
Project Title: Northside Generating Station (NGS) Corrective Measures Implementation
Project Number: D0101
Project Location: JEA
Funds: O&M/Environmental Fund
Budget Estimate: \$1,331,760.00

Scope of Work:

Northside Generating Station is under a site-wide corrective action consent order with the Florida Department of Environmental Protection (FDEP) for the assessment and remediation of identified contamination from past solid waste practices.

This project will positively affect JEA's Measures of Value:

- Environmental Value: JEA will be remediating identified groundwater contamination which arose from past solid waste handling practices and protecting the ecological health of the surrounding environment.

JEA IFB/RFP/State/City/GSA#: 077-13
Purchasing Agent: Selders, Elaine Lynn
Is this a ratification? No

RECOMMENDED AWARDEE(S):

Name	Contact Name	Email	Address	Phone	Amount
GEOSYNTEC CONSULTANTS, INC.	Rachel Klinger	rklinger@geosyntec.com	1200 Riverplace BV Ste 710, Jacksonville, FL 32207	(904) 858-1818	\$1,331,760.00

Amount of Original Award: \$1,114,320.00
Date of Original Award: 02/06/2014
Change Order Amount: \$1,331,760.00

List of Previous Change Order/Amendments:

CPA #	Amount	Date
134314	\$98,088.00	10/15/2018

New Not-To-Exceed Amount: \$2,544,168.00
Length of Contract/PO Term: Project Completion
Begin Date (mm/dd/yyyy): 03/06/2014

End Date (mm/dd/yyyy):

Project Completion (Expected by 09/22/2023)

JSEB Requirement:

Evaluation Criteria (10% Goal)

Comments on JSEB Requirements:

Original Award:

Felicia M. Boyd & Associates – Environmental Services 1-9%;

Meskel and Associates Engineering-Engineering Services 1-5%;

RE Holland and Associates-Surveying 1-3%;

Change Order:

No JSEB work currently available

Background/Recommendations:

Originally bid and approved by Awards Committee on 02/06/2014 in the amount of \$1,114,320.00 to Geosyntec Consultants, Inc. A copy of the original award is attached as backup.

A Corrective Measures Study has been approved by FDEP, and JEA has recently completed the construction for the first phase of work as part of the implementation of the approved corrective measures. The original award was for five (5) years through 03/05/2019, with three (3) additional one (1) year renewals. However, this request is to change the term of this contract to project completion to continue the corrective measure services being performed at Northside Generating Station, pursuant to consent orders EPA Docket No. 96-08-R and FDEP OGC File No. 05-2817. Failure to comply with the conditions of the orders will result in enforcement and imposition of stipulated penalties. The continuation of the project with the original awardee is vital to knowledge obtained during the first phase for continuity, and saves time and money getting another firm up to speed.

The continued scope includes the following over a five (5) year span:

- Construction reporting for the first phase of work
- System operation and optimization
- Groundwater monitoring and reporting
- Performance monitoring
- Detailed design
- Development of specifications, and construction oversight and reporting for the next phase of work
- Ecological risk evaluations
- Additional conceptual remedies as needed

The award amount is determined by projected spend per task, with contingency built in for unforeseen conditions that come throughout the project. This type of environmental cleanup that is highly tied to regulatory oversight and a large contingency is critical. The amount in this scope of work is in line with our past experience on similar projects and is considered normal for large cleanup events. The labor rates used to develop the final per task amount for this work have been reviewed and compared to similar work being done by Golder and are deemed reasonable. It should be noted that an average reduction of 5.25% in the rates submitted occurred during negotiations.

Request approval to award a change order to Geosyntec Consultants, Inc. for the Northside Corrective Measures Implementation project in the amount of \$1,331,760.00, for a new not-to-exceed amount of \$2,544,168.00, subject to the availability of lawfully appropriate funds.

Manager: Starner, Lindsay N. - Mgr Environmental Permitting & Compliance

VP: Steinbrecher, Paul K. - VP & Chief Environmental Svcs Officer

APPROVALS:



2/21/19

Chairman, Awards Committee

Date



2/21/19

Manager, Capital Budget Planning

Date



Formal Bid and Award System

Award #6 February 21, 2019

Type of Award Request: INVITATION TO NEGOTIATE (ITN)
Request #: 6336
Requestor Name: Keeler, Jessica
Requestor Phone: (904) 665-6403
Project Title: Primary, Secondary, and Fiber Optic Wire and Cable for JEA Inventory Stock
Project Number: Various
Project Location: JEA
Funds: Inventory Blanket Account
Budget Estimate: \$13,344,056.96
Scope of Work:

The purpose of this Invitation to Negotiate (ITN) is to solicit pricing for Primary, Secondary, and Fiber Optic Cable for JEA's inventory stock. The primary use of these items are to enable the transfer of electrical signals or power from one device to another within our network system and are primarily utilized by both the Electric and Technology departments. During 2018, the annual spend for these items was \$5,721,704.37. Our current inventory balance for the items found in this solicitation is \$3,319,074.13, with the average current lead-time of nine (9) weeks depending upon the item.

This award impacts the following three (3) JEA Measures of Value:

- Customer Value – Ensures JEA can continue to efficiently and effectively operate the electric network grid
- Community Impact Value – Minimizes network outages by ensuring a consistent flow of materials from strategic supply chain partners
- Financial Value – Reduces operating expenses for these items and optimize the supplier portfolio for this commodity category

JEA IFB/RFP/State/City/GSA#: 006-19
Purchasing Agent: Roddy, Colin Patrick
Is this a Ratification?: No

RECOMMENDED AWARDEES:

Name	Vendor Contact	Email	Address	Phone	Amount
GRESKO SUPPLY INC.	Chris Therien	christopher.therien@gresco.com	6421 County Road 219, Wildwood, FL 34785	352-446-7536	\$8,141,362.35
STUART C IRBY CO.	Erich Ewoldt	ewoldt@irby.com	38 Skyline Drive, Lake Mary, FL 32746	407-415-6268	\$2,527,754.88
ANIXTER INC.	Renee Lackey	renee.lackey@anixter.com	3881 Old Winter Garden Road, Orlando, FL 32805	407-204-7304	\$1,222,911.45

ELECTRIC SUPPLY INC.	Chris Burns	chris.burns@electricssupplyinc.com	4407 N Manhattan Ave, Tampa, FL 33614	813-879-0049	\$243,360.00
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Amount for entire term of Contract/PO: \$12,135,388.68

Award Amount for remainder of this FY: \$2,022,564.78

Length of Contract/PO Term: Five (5) Years w/ No Renewals

Begin Date (mm/dd/yyyy): 03/01/2019

End Date (mm/dd/yyyy): 02/28/2024

Renewal Options: No Renewals

JSEB Requirement: N/A - Optional

BIDDERS:

Name	First Round Extended Price	Items Bid	Low Priced Items	BAFO Extended Price	Items Bid	Low Priced Items	Awarded Amount
ANIXTER INC.	\$12,861,767.58	69	33	\$12,917,204.29	70	33	\$1,222,911.45
GRESKO SUPPLY INC.	\$12,559,062.58	70	17	\$12,090,396.81	70	26	\$8,141,362.35
STUART IRBY CO.	\$11,806,069.69	66	14	\$11,562,905.17	66	13	\$2,527,754.88
ELECTRIC SUPPLY INC.	\$14,337,961.47	69	6	\$13,737,055.27	67	1	\$243,360.00
SOUTHWIRE	\$12,264,216.07	60	0	\$12,264,216.07	60	0	
MARMON	\$128,221.20	1	0	\$128,221.20	1	0	
WESCO	\$2,897,385.11	8	0	\$2,394,568.20	5	0	

Background/Recommendation:

Advertised 10/04/2018. Nine (9) vendors attended the optional pre-response meeting on 10/31/2018. At Response opening on 12/04/2018, JEA received seven (7) Responses.

In order to leverage JEA's spend for primary, secondary, and fiber optic wire and cable included in JEA Inventory, the internal team initially identified eighty four (84) items deemed to be a good fit to be included in this initiative. During the last 12 months, most of these items were purchased through Gresko Supply and Electric Supply on JEA blanket purchase agreements while also spot buying them through nine (9) other vendors.

After evaluating the strategic importance of these items, the internal JEA team which included members from Procurement, Supply Chain Inventory Control and Electrical Standards worked together to improve the commodity as a whole by focusing on the following areas:

- Improving the procurement process efficiency
- Leveraging JEA's buy
- Developing supplier partnerships with the Original Equipment Manufacturers directly
- Qualifying additional vendors on items
- Optimizing price adjustment through new index adjustment language to closely mimic actual costs

The evaluation criteria for this bid was that the total lowest cost provider for each respective item would win, as long as the minimum qualifications were met and they quoted the correct JEA approved manufacturer and manufacturer part number. After the evaluations were complete, Gresco Supply Inc., Stuart C. Irby CO, Anixter Inc. and Electric Supply Inc. were determined to be the vendors that provided the lowest cost to JEA for this work scope.

Through aggregation of items and competitive bidding, JEA will realize an estimated five (5) year cost savings via unit price totaling \$1,208,668.28, or 9.06%. The savings included a BAFO reduction of \$301,098.16. Unit pricing for the contract(s) will be adjusted monthly in accordance with the changes to Aluminum, Copper, and Plastic & Resins metal market indexes obtained from PLATTS Metals Week (Aluminum & Copper) and the Bureau of Labor Statistics (Plastic & Resins).

JEA has decided to not provide an award recommendation for nine (9) items from this solicitation, representing the "Primary Wire" category. If awarded, JEA will realize an estimated five (5) year cost increase via unit price increases totaling \$2,682,529.00, or 11.71%. JEA will continue to purchase these nine (9) items under its current agreement with Gresco Supply in which is term is in effect until June 2022, to mitigate the cost burden to the JEA Inventory account.

Procurement tracks two different types of savings. The total cost difference is comparing the current pricing with the proposed pricing (+/-). The total sourcing savings is determined by negotiations, BAFO savings and value added savings. Below is the breakdown:

- **Total cost difference:** \$1,208,668.28 (unit price savings) = \$1,208,668.28
- **Total sourcing savings:** BAFO savings are included in the total cost savings

The total savings for the five (5) year term is determined by adding the total cost difference and total sourcing savings together to equal \$1,208,668.28.

By working holistically, the internal team was able to meet its target goals of lowering the total cost of ownership for the Wire and Cable portfolio, ensuring external competition, improving the procurement process, and reducing supply chain risk.


006-19 - Request approval to award a contract to Gresco Supply Inc. (\$8,141,362.35), Stuart C Irby CO. (\$2,527,754.88), Anixter Inc. (\$1,222,911.45) and Electric Supply Inc. (243,360.00) for the supply of Secondary and Fiber Optic Wire and Cable carried in JEA's inventory stock in the amount of \$12,135,388.68, subject to the availability of lawfully appropriated funds.

Manager: Pearson, Kenny – Procurement Category Manager
Director: McCollum, Jenny – Director, Procurement Services
VP: McCarthy, John P. – VP Logistics & Chief Supply Chain Officer

APPROVALS:

 _____ 2/21/19

Chairman, Awards Committee **Date**

 _____ 2/21/19

Manager, Capital Budget Planning **Date**



Formal Bid and Award System

Award#7 February 21, 2019

Type of Award Request: STATE CONTRACT
Request #: 6529
Requestor Name: Quarterman, Diane - Mgr Operations & Help Desk Support
Requestor Phone: (904) 665-4157
Project Title: Microsoft Enterprise Agreement for Annual Maintenance
Project Number: HE30902
Project Location: JEA
Funds: O&M
Budget Estimate: \$776,630.00 (O&M Budget Line 1784 and 1779)

Scope of work::

This contract is for a three (3) year Microsoft Enterprise Agreement program which provides the legal licenses and maintenance for all Microsoft products used at JEA including Windows, Office, SharePoint and SQL etc. This contract also includes all Microsoft version updates for desktops and servers along with patches.

This award impacts the following JEA Measures of Value:

- Financial Value: Volume pricing provides greater discounts to JEA and during the term of the contract required software updates are included.

JEA IFB/RFP/State/City/GSA#: SOF - 43230000-15-02
Purchasing Agent: Dambrose, Nick
Is this a Ratification?: NO
If yes, explain:

RECOMMENDED AWARDEE(S):

Name	Contact Name	Email	Address	Phone	Amount
SOFTWARE HOUSE INTERNATIONAL INC.	Chris San Chirico	Chris_SanChirico@SHI.com	Weston Canal Plaza, 2 Riverview Dr., Somerset, NJ 08873	(352) 597-2880	\$2,537,236.20

Amount for entire term of Contract/PO: \$2,537,236.20
Award Amount for remainder of this FY: \$845,745.40
Length of Contract/PO Term: Three (3) Years
Begin Date (mm/dd/yyyy): 03/01/2019

End Date (mm/dd/yyyy): 02/28/2022
Renewal Options: NO
JSEB Requirement: N/A – State Contract

Background/Recommendations:

This award piggybacks off of the State of Florida contract 43230000-15-02 with Software House International (SHI) which was competitively bid in 2016 and amended to extend through 01/31/2020 with the option to be extended an additional two (2) renewals. SHI is the only Large Account Reseller for the State of Florida.

This request is for a new three (3) year Enterprise Agreement with Microsoft which requires a minimum three (3) year agreement. JEA's current agreements ends 02/28/2019. Microsoft would not extend our existing contract but is actively working with us to reduce license counts and align with JEA's Cloud Strategy. Upon the most recent State of Florida contract amendment renewal in October 2018 Microsoft prices have increased 3% to 22% across the board and Microsoft changed their pricing models to reflect cloud solutions. JEA's annual cost has increased from \$716,612.40 to \$845,745.40, or 15%. JEA has selected the Office 365 agreement option which will allow JEA to continue with Microsoft's on premises solution with the option to move to a cloud solution without any additional expenses during the term of the contract. This is important due to potential changes needed related to the new Cologix data center. Also as JEA reduces our footprint with virtualization, JEA will be better positioned to evaluate the need for an enterprise agreement in the future. This could reduce JEA's cost for future agreements. JEA's pricing will remain fixed for the three (3) year term.

JEA only has \$776,630.00 budgeted in FY19. The remaining \$69,115.40 required will be transferred from O&M budget line 1779.

Request approval to award a three (3) year contract to Software House International, Inc. for the Microsoft Enterprise Agreement for Annual Maintenance and Support of Microsoft licenses in the amount of \$2,537,236.20, subject to the availability of lawfully appropriated funds.

Director: Datz, Stephen - Director, Technology Infrastructure
VP: Selders, Steve G. - Interim VP & Chief Information Officer

APPROVALS:

 _____ 2/21/19

Chairman, Awards Committee **Date**

 _____ 2/21/19

Manager, Capital Budget Planning **Date**



Formal Bid and Award System

Award #8 February 21, 2019

Type of Award Request: CHANGE ORDER
Request #: 6496
Requestor Name: Todd, Landon M.
Requestor Phone: (904) 665-7419
Project Title: Telephony, Network, Internet & Telecommunications Services
Project Number: HEB 30904
Project Location: JEA
Funds: O&M
Budget Estimate: \$782,000.00 (O&M line 1835 and 1828)

Scope of Work:

This request is for a change order to upgrade JEA’s internet and telephony services that JEA’s customers use to communicate with JEA. The upgrade includes three main areas of improvement to bring improved reliability, resiliency, and security to JEA's current operations. This change order also includes additional funds to cover FCC taxes and fees that were previously not included in the original award.

This initiative impacts JEA’s four (4) core values.

- Customer Value: Improved availability and reliability of JEA’s telephony and internet services positively impacts JEA’s customer value.
- Community and Environment Value: The maintenance, reliability, and availability of JEA’s telephony, network, internet & telecommunication services are important assets and impact the community not only during normal operations, but especially during peak volume times such as natural disasters.
- Financial Value: The benefits of improved telephony and internet services support a growing customer base consistent with JEA growth initiatives.

JEA IFB/RFP/State/City/GSA#: N/A

Purchasing Agent: Dambrose, Nickolas Charles (Nick)

Is this a Ratification?: YES

If yes, explain: \$412,880.10 of this award is a ratification, the taxes and fees have already been paid for the first twenty-seven (27) months and the three (3) new scopes of work are complete or in process.

RECOMMENDED AWARDEE(S):

Name	Contact Name	Email	Address	Phone	Amount
AT&T	CHRIS WADLEY	cw3669@att.com	301 BAY ST 19TH FLOOR, JACKSONVILLE FL 32202	(904) 476-3100	\$483,989.90

Amount of Original Award: \$2,001,683.52

Date of Original Award: 11/17/2016

Change Order Amount: \$483,989.80
New Not-to-Exceed Amount: \$2,485,673.32
Length of Contract / PO Term: Three (3) Years w/Two (2) - 1 Yr. Renewals
Begin Date (mm/dd/yyyy): 12/01/2016
End Date (mm/dd/yyyy): 11/30/2019
Renewal Options: YES - Two (2) - 1 Yr. Renewals
JSEB Requirement: N/A - No JSEB Available

Background/Recommendations:

Originally approved by Awards Committee on 11/17/2016 in the amount of \$2,001,683.52 to AT&T. A copy of the original award is attached as backup.

This change order request is for \$483,989.90 in additional funds to cover taxes and fees, which were not included in the original award, and three (3) scope of work changes to the current contract.

Taxes and fees were not included in the original award which make up approximately (14%) of the cost of services. The State of Florida contract rates underestimates actual spend because it does include additional FCC taxes and fees that are subject to changes in legislation.

The first scope of work change of \$75,799.68, completed 09/2018, increased JEA's two internet circuits from 500 MB to 1 GB and subsequently increased JEA's DDoS coverage. JEA has two (2) internet circuits to provide redundancy. The increased internet circuit size enables independent operation of the circuits in the event of a failure as well as to accommodate future capacity requirements. The second scope of work change of \$31,225.08 covers JEA adding a third internet circuit to support the migration to its new Cologix data center which is currently in process. The third scope of work change of \$46,491.93 covers JEA adding eight (8) Primary Rate Interfaces (PRI) at a rate of \$5,811.00 per PRI per month since the time of the original award to support JEA's contact center. The additional PRIs increase incoming call volume capacity and provide the ability to validate pre-production (QA) changes. The total change order amount is summarized in the table below.

In January 2019, JEA discovered a vendor invoice mistake regarding the upgrade of the two (2) internet circuits from 500MB to 1GB. This error resulted in a \$67,000 credit that reduces the requested change order amount.

Description		Change Order Amount
JEA underestimated FCC Taxes & Fees (14% of services)	+	\$ 284,439.23
JEA upgraded of two (2) internet circuits from 500MB to 1GB and increased DDoS coverage	+	\$ 75,799.68
JEA addition of third internet circuit to support Cologix migration	+	\$ 31,225.08
JEA addition of eight (8) Primary Rate Interfaces (PRI)s	+	\$ 46,491.93
Outstanding invoices	+	\$ 113,033.98
JEA credit	-	\$ (67,000.00)
Total Change Order Amount		\$ 483,989.90


Update table

The State of Florida contract does not contain pricing to upgrade internet circuits nor acquire PRIs with which to compare JEA's pricing. JEA's internal expertise determined the pricing for these upgrades to be reasonable. JEA's existing budget for Prolexic DDoS services will be applied to the switch to AT&T. JEA is spending approximately the same amount with ATT as we were with Prolexic; however, we have tripled the internet circuit and DDoS capacity. A new budget trend will be submitted for the upgrade to the existing two internet circuits, the additional internet circuit for the Cologix migration, the additional PRIs, and the inclusion of the additional FCC taxes and fees.

Request approval to award a change order to AT&T for Telephony, Network, Internet & Telecommunications Services in the amount of \$483,989.80, for a new not-to-exceed amount of \$2,485,673.32 subject to the availability of lawfully appropriated funds.

Manager: Todd, Landon M. - Mgr IT Infrastructure & Collaboration Platforms
Director: Traylor, Kymberly A. - Dir Network & Telecommunication Services
VP: Selders, Steve G. - Interim VP & Chief Information Officer

APPROVALS:

 2/21/19

Chairman, Awards Committee **Date**

 2/21/19

Manager, Capital Budget Planning **Date**