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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Telecommunications Division
Public Program Branch**

**RESOLUTION T-16740
Date: May 8, 2003**

R E S O L U T I O N

RESOLUTION NO. T-16740. TO APPROVE CALIFORNIA COMMUNICATIONS ACCESS FOUNDATION AS THE AWARDED CONTRACTOR TO OPERATE AND MANAGE THE PROGRAMS AND SERVICES OF THE DEAF AND DISABLED TELECOMMUNICATIONS EQUIPMENT AND SERVICE PROGRAMS (PUBLIC UTILITIES CODE SECTION 2881, ET SEQ.) AS AUTHORIZED BY PUBLIC UTILITIES CODE SECTION 2881.4(b).

Summary

This resolution approves California Communications Access Foundation (CCAF), a California non-profit corporation, as the entity awarded the contract to operate and manage the Deaf and Disabled Telecommunications Equipment and Service Programs (DDTP), (as established by Public Utilities (PU) Code Section 2881, et seq.) during the period June 16, 2003 through June 30, 2005 for an annual amount of \$6,844,800. PU Code Section 2881.4(b) authorizes the Commission to enter into a contract(s) for the services of the DDTP.

As directed by the Commission in Resolution T-16703, adopted on December 22, 2002, the Telecommunications Division (TD), at the direction of the Commission Executive Director, issued an Invitation for Bid (IFB) for these services. The IFB, released on January 8, 2003, described the services as the following areas of responsibilities:

- a) Manage contracts under state guidelines, including but not limited to those state contracts for the California Relay Service (CRS), the warehouse, and call center;
- b) Operate the seven established walk-in centers;
- c) Provide the field operations to reach those consumers without access to walk-in centers;
- d) Provide marketing and outreach efforts to promote the equipment and services of the DDTP;
- e) Staff the advisory committee(s) and provide necessary support; and
- f) Provide the administrative tasks necessary to operate all programs and services of the DDTP.

The contractor will act as de facto (the agent) of the Commission, implementing its policy and directives and performing ministerial acts only. All discretionary acts and policy decisions will be exclusively those of the Commission.

The Commission received one bid package by the March 21, 2003 deadline. TD staff reviewed the bid from CCAF and determined that CCAF met the preliminary requirements of the IFB. TD opened the sealed bid on March 27, 2003. TD announced that CCAF would be awarded the contract after it is determined that the bid met the 2003-2004 DDTP budget. In addition, TD announced that the contract required approval by the Commission and, as mandated by the California Public Contract Code (PCC), review and approval by the Department of General Services (DGS).

Background

The Commission established the DDTP to implement three legislative mandates: PU Code Section 2881(a) authorizes the provision of TTYs to deaf or hard of hearing individuals; PU Code Section 2881(c) authorizes the provision of other specialized telecommunications equipment to consumers with hearing, vision, mobility, speech, and cognitive disabilities; and PU Code Section 2881(b) uses third-party intervention (also known as the California Relay Service) to connect consumers who are deaf or hearing impaired with hearing parties. The DDTP is currently managed by an external staff acting as agents of the Commission. An administrative committee, the DDTP Administrative Committee (AC), administers the DDTP and oversees its finances. Two advisory committees, Equipment Program Advisory Committee (EPAC) and CRS Advisory Committee (CRSAC), advise the DDTPAC on the equipment and relay service programs.

Senate Bill (SB) 669, signed by Governor Gray Davis in 1999, changes the current operations of the Commission's public programs in two ways: 1) it transfers the funds for the programs from a bank trust fund to the State Treasury and 2) it changes the duties of the administrative committees to those of advisory boards. The Commission successfully implemented the requirements of SB 669 by October 1, 2001 for the California High Cost Fund-A, California High Cost Fund-B, California Teleconnect Fund, and Universal Lifeline Telephone Services programs.

Because of the size of the DDTP and the complexities involved, the Commission sought an extension of the original deadline for the transfer of the DDTP funds. Assembly Bill 1734, signed into law in June 2002, 1) authorizes the Commission to contract for the DDTP services, 2) provides for an extension of the deadline from July 1, 2002 to July 1, 2003, 3) creates the Telecommunications Access for the Deaf and Disabled Administrative Committee (TADDAC) as an advisory board to the Commission, and 4) requires the current DDTPAC to provide a report to the Commission recommending a transition plan.

On October 1, 2003, the DDTPAC provided a transition plan to the Commission. The Commission responded by holding a day-long workshop that discussed both the DDTPAC's recommendations and the TD staff recommendations. The workshop provided the opportunity for public input and comment. As a result of the workshop, TD drafted a resolution with a recommended transition plan. On December 22, 2003, the Commission adopted Resolution T-16703 approving a transition plan which included the release of an IFB to operate and manage the programs and services of the DDTP as Phase I. Resolution T-16703, Ordering Paragraph 4 directed that:

The Commission Executive Director shall issue an IFB document which shall include the following:

- a. The provision of services as set forth in this resolution;*
- b. Language requiring relevant contract staff to attend meetings of the TADDAC, CRSAC, and EPAC and provide reports on the status of the program;*
- c. Performance standards and evaluation procedures as set forth in this resolution; and*
- d. Provisions for an annual advance payment to the contractor of not more than 25 percent of the annual contract.*

Discussion

As directed by the Commission Executive Director, TD adhered to the State's competitive bidding process, as set forth in the PCC and the California *State Contract Manual* (SCM), for entering into a personal services contract with an entity to provide the personnel to operate and manage the DDTP. This discussion reviews the steps taken by TD to follow the competitive bidding process and recommends approval of CCAF as the awarded contractor.

IFB Overview

TD developed an IFB based on Commission direction in Resolution T-16703. The Commission's Legal Division reviewed and approved the IFB, which was issued on January 8, 2003, seeking vendors who could provide the services stated in the "Summary" above.

The IFB included an overview and history of the DDTP and a detailed description of services required from the awardee. The description of services included responsibilities in the areas of administration, telephone relay service, equipment program, field operations, marketing and outreach, and customer contact. These responsibilities were developed based on job descriptions of current DDTP staff

positions. The description of services included contractor attendance and participation in the DDTP's advisory committee meetings.

The IFB described the performance standards required by Resolution T-16703: 1) increase, by 5% annually, the number of customers using DDTP equipment; 2) attain a 95% customer satisfaction rating for California Telephone Access Program; 3) attain a 95% customer satisfaction rating for CRS; and 4) attain a 95% customer satisfaction rating for the DDTP. The IFB noted that the contractor would be evaluated on these items on a quarterly basis.

The IFB included language describing an annual advance payment to be paid to the awarded contractor. The advance payment, as authorized in PU Code Section 2881.4(e), shall not exceed 25% of the total annual contract amount.

In carrying out Phase I of the DDTP transition plan, Commission staff addressed and complied with all requirements of Resolution T-16703, Ordering Paragraph 4.

Competitive Bidding Process

The Commission determined that this contract must be competitively bid following the requirements of the PCC and SCM. The IFB was reviewed and approved by the Commission's Legal Division as well as the Information Management Services Division (IMSD) Management Analysis Section. In addition to the details described in the IFB overview, the IFB also contained the DGS required general terms and conditions, (GTC 103 and CCC 103) and required certification documents including the: Nondiscrimination Compliance Statement, Small Business Preference Notification, Antitrust Claims, Corporate Qualifications to do Business in California, Drug-Free Workplace Certification, Insurance Requirements, and Statewide Disabled Veteran Business.

TD advertised the IFB on the DGS web site (electronic *California State Contracts Register*) as required by SCM 5.75A. TD maintained a list of all organizations and individuals requesting copies of the IFB. This list reflects the Commission's awareness and adequacy of advertising the IFB. TD provided four weeks for potential bidders to ask questions and seek clarification on the IFB. To maintain a competitive bidding environment, the complete list of potential bidder's questions and the Commission's responses were sent to every organization and individual who requested a copy of the IFB.

The Commission received one bid package by the March 21, 2003 deadline. TD staff reviewed the bid package from CCAF and determined that CCAF met the preliminary requirements of the IFB. (This process will be further discussed in the next subsection.) TD publicly opened the sealed bid on March 27, 2003. TD announced that CCAF would be awarded the contract after it is determined that the bid met the 2003-2004 DDTP

budget. In addition, TD announced that the contract required approval by the Commission and, as mandated by the PCC, review and approval by DGS.

Commission staff complied with all PCC and SCM requirements; thereby providing a competitive bidding environment for this contract.

Selection of Proposed Contractor

In order for a bidder to be considered a qualifying bidder, bid packages had to be submitted on time and include the following:

- Business information and corporate qualifications
- Management level staff performing duties in the telephone relay program must have at least three years of experience. Resumes of proposed staff should also be included.
- Management level staff performing duties for the call center program must have at least three years of experience. Resumes of proposed staff should also be included.
- Management level staff performing duties in marketing and outreach must have at least three years of experience. Resumes of proposed staff should also be included.
- Non-management level staff must have an average of one year experience in the relevant area of responsibility. Resumes of proposed staff should also be included.
- Three letters of recommendation from organizations representing the deaf and/or disabled communities.
- Completed Non Discrimination Clause
- Completed Disabled Veteran Business Enterprise (DVBE) Participation Summary
- Completed Contractor Certification Clause
- Completed Payee Data Record
- Fee proposal in a separate, sealed envelope

TD staff reviewed the materials submitted by CCAF and determined that it met the qualifications as set forth in the IFB. CCAF's management level experience in the telephone relay service industry equals a combined 25 years of experience in the CRS by the Executive Director of the CCAF and the proposed CRS department manager for this project. CCAF's management level experience in the call center industry includes twelve years of experience in in-bound and out-bound call center environments and six months experience overseeing the current DDTP call center provider. The required marketing and outreach management level experience includes seventeen years in marketing, communications, and public relations, and four years of experience in planning and conducting outreach activities for the DDTP. The average experience of non-management level staff proposed to work on this contract exceeds the one-year

minimum experience required by the IFB. The CCAF bid package also included a copy of the resumes of all staff proposed to work on this contract.

In addition to the experience with the industries described above, the IFB asked the bidders to describe the extent of staff experience working with the deaf and/or disabled communities. According to the business qualifications in the CCAF bid package, individuals proposed to work on this contract have over 530 years of experience working in positions and organizations serving the deaf and/or disabled communities. As required by the IFB, CCAF's bid package included letters of recommendation from The California Coalition of Agencies Serving the Deaf and Hard of Hearing; Self Help for the Hard of Hearing People, Inc; and The Ed Roberts Campus (comprised of Bay Area Outreach and Recreation Program, Center for Independent Living, Center for Accessible Technology, Computer Technologies Program, Disability Rights Education and Defense Fund, Disability Rights Advocates, Through the Looking Glass, Whirlwind Wheelchair International, and World Institute on Disability).

CCAF's bid package included the required completed forms, as well as a written agreement to comply with requirements regarding Standard Conditions of Service, Conflict of Interest, Non Discrimination Clause, DVBE, Drug Free Work Environment, Insurance, Antitrust claims, utility confidential data, news releases, and recycled material.

As required by PCC Section 10341 , the sealed bid from CCAF was publicly opened and reviewed for compliance by TD. Fee proposal requirements included that all bidders utilize the personnel fee worksheet that was included in the IFB, state that their bid is an unconditional bid, and provide an appropriate signature on the fee proposal. The three reviewers found CCAF to meet all requirements for the fee proposal.

TD reviewed the bid and determined that it was an acceptable amount that fell within the proposed 2003-2004 budget appropriation for the DDTP.

Based upon the bid package provided by CCAF and the review of the package by TD staff, TD concludes that the CCAF bid is compliant.

TD recommends that the Commission award the contract to operate and manage the DDTP to CCAF. Further, TD recommends that the Commission direct the Commission Executive Director to request DGS approval of a multi-year contract, to execute the contract and, when completed and fully executed, submit the contract and all supporting documentation DGS for review and approval.

Notice/Protest

According to *State Contracting Manual* section 6.02, in an Invitation For Bid competitive bidding process, those who may protest are the lowest responsible bidder meeting the specifications, if not awarded the contract. Because the lowest responsible bidder received the award, and there were no other bidders, there are no grounds for a formal protest. Thus, no protests were received.

Notice Of Availability Of Conformed Resolution

In the past, the Commission has served hard copies of resolutions on carriers and parties on the appropriate service list(s). To be consistent with the Commission's commitment to utilize the internet for distributing Commission orders and information, TD has sent a letter of notice to parties of record in I.87-11-031, R.00-05-001, and R.03-03-014 informing them of the availability of the original draft resolution, as well as the conformed resolutions, on the Commission's web site, www.cpuc.ca.gov. In addition, a hard copy of the conformed copy of this resolution will be provided to all parties of record in I.87-11-031, R.00-05-001, and R.03-03-014.

Comments

In accordance with PU Code Section 311(g), Commission staff mailed a copy of the original draft resolution on April 8, 2003 to the parties of record in I.87-11-031, R.00-05-001, and R.03-03-014. Comments received on a timely basis will be addressed in any final resolution.

Findings

1. Commission staff complied with all requirements of Resolution T-16703, Ordering Paragraph 4.
2. Commission staff complied with the contracting requirements of the California Public Contract Code and the *State Contracting Manual* and provided a competitive bidding environment for the proposed contract to operate and manage the Deaf and Disabled Telecommunications Program.
3. The bid of \$6,844,800 per year, submitted by the California Communications Access Foundation, is within the proposed 2003-2004 budget appropriation for the Deaf and Disabled Telecommunications Program.
4. The California Communications Access Foundation bid is compliant with the Commission IFB.
5. The Telecommunications Division recommends awarding the contract to operate and manage the Deaf and Disabled Telecommunications Program to the California

Communications Access Foundation pending approval by the Department of General Services.

6. The Telecommunications Division's recommendations are reasonable and should be adopted.

THEREFORE, IT IS ORDERED that:

1. The California Communications Access Foundation shall be awarded the contract to operate and manage the Deaf and Disabled Telecommunications Program pending approval of the contract by the Department of General Services.
2. The Executive Director shall request approval from the Department of General Services for a multi-year contract, execute on behalf of the Commission all contract originals, and submit the contract between the Commission and the California Communications Access Foundation to the Department of General Services for review and approval.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on May 8, 2003. The following Commissioners adopted it:

WILLIAM R. AHERN
Executive Director

