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Antenna Procurement – Options 7 June 2005

1. Council cannot give the FC the assurance on affordability. This needs to be clearly stated in a resolution.
2. The FC cannot approve the award of a contract. *Finance Committee*
3. There is no point in holding the extraordinary FC planned for 20 June.
4. The ALMA Director and the ALMA Board cannot approve a contract as required by the Bilateral Agreement.
5. The North American side may decide to go ahead (unlikely) and bring their contract to the Director and Board. Even though unlikely, Council needs to decide if Europe should agree to this in pre-Board discussions and vote to approve at the Board.
6. The present offers expire 30 June 2005. The current CFT process then terminates automatically unless we take action to extend or continue. *- call for tender*
7. We have, grosso modo, the following options:
 - a. Declare ALMA dead, and move on. This would have profound and long-lasting repercussions for any future collaboration of ESO or any other European organisation. *committee of Council - exec. comm.*
 - b. Ask bidders to extend validity of present quotes by (at most) 3 months (to end September). CoC could become Council, extraordinary FC would be required. FC approval of selection of vendor stands.
 - c. Ask bidders to offer new prices (perhaps for different numbers of antennas – this will require Council resolution and Board approval) by say end September (i.e. post CoC), prices to be valid for 6 months (to end March 2006). This would allow normal selection and approval process in October/November. Contract placed before end of year? FC approval of selection of vendor probably no longer stands?
 - d. Allow present CFT to terminate naturally and then launch a new CFT in July, responses by end September, prices valid 6 months. This would require a new SoW and would allow changed Technical Specifications. This would allow normal selection and approval process in October/November/December. Contract placed before end of year? *Interim of Work*
 - e. Wait until the re-baselining is complete and a new MTIP and LRP has been through due process (albeit with uncertainties in the ALMA C2C), and launch a new CFT in December, with new SoW and possibly changed Technical Specifications. Contract placed in mid-2006. *? Long Range Plan*

8. Options b, c and d increase the uncertainty in the re-baselining assessment, which is inevitably an iterative process.
9. We will need to take very careful legal advice. This procurement has become rather 'public' and ESO would be open to legal challenge if a there were ultimately to be a change of selected vendor without very good and complete justification. This means that the new SoW and any changes in Tech. Specs. would have to be framed very carefully or it could be claimed that this was just a charade. Some countries will have to be prepared to back ESO – even financially – in any legal action.
10. The debate has resulted in a great deal of background information and disinformation being made public. It could be held that this compromises the possibility of a fair competition.
11. We will need to explore the legal and political situation for our partners in North America and Japan in all these options except perhaps a.
12. The overall cost of ALMA will probably increase (prices and time) and the project will be delayed, or the number of antennas will be reduced.