



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 20-0032 **Version:** 1 **Name:**

Type: Contract **Status:** Passed

In control: Financial Services

On agenda: 2/19/2020 **Final action:** 2/19/2020

Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to utilize a MiDeal cooperative contract with Verizon Wireless for Automatic Vehicle Location hardware devices, software and monthly services for Fleet vehicles, for a total contract amount not-to-exceed \$256,110 and a term of 3.75 years. The BOWC also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Indexes: Board of Water Commissioners, Finance Committee

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
2/19/2020	1	Board of Water Commissioners	approved	Pass
2/5/2020	1	Finance Committee	recommended for approval	Pass

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to utilize a **MiDeal cooperative contract with Verizon Wireless for Automatic Vehicle Location hardware devices, software and monthly services for Fleet vehicles, for a total contract amount not-to-exceed \$256,110 and a term of 3.75 years.** The BOWC also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of February 19, 2020

Item No.: 20-0032

Contract No: 6002684

Contractor: Verizon Wireless

7600 Montpelier Road, Laurel, MD 20723

Contract Total Amount: \$256,110

Contract Term: 3/1/2020 - 12/14/2023 (3.75 years and no renewals)

TO: The Honorable
Board of Water Commissioners
City of Detroit, Michigan

FROM: Gary Brown, Director
Water and Sewerage Department

RE: Proposed DWSD Contract 6002684
Purchase of Automatic Vehicle Location hardware devices, software and monthly services

for DWSD Fleet vehicles from Verizon Wireless

MOTION

Upon recommendation of Mamata Burgi, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director **to utilize a MiDeal cooperative contract with Verizon Wireless for Automatic Vehicle Location hardware devices, software and monthly services for Fleet vehicles, for a total contract amount not-to-exceed \$256,110 and a term of 3.75 years.** The BOWC also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND & JUSTIFICATION

The DWSD Fleet Services Department has had a long standing goal of installing Automatic Vehicle Location (AVL) units on all the light, medium and heavy duty fleet vehicles. AVL provides significant value in improving driver safety, vehicle efficiency and effectiveness by allowing access to current GPS locations and diagnostics data anytime. The AVL system allows for vehicles to be tracked and managed, including location, speed, idle time, route history, hard braking and other data. This technology will allow Fleet to pursue process improvements with both operational and cost efficiencies, while also decreasing costs such as fuel, insurance, labor and maintenance.

There is a one-time expense of \$ 11,900 for the AVL devices and a recurring monthly expense of \$6,103 for the AVL service. DWSD IT Department has budgeted for and will pay the ongoing monthly maintenance fees for the GPS system using Operation & Maintenance funds. The Fleet Services Department has budgeted the hardware, software and cable for the GPS system using CIP funds. The MiDeal vendor is Verizon Wireless, under MiDeal contract #071B5500078.

PROCUREMENT METHOD

The DWSD Procurement Policy allows for participation in cooperative purchasing agreements from other public purchasing consortiums of competitively solicited contracts. The State of Michigan competitively solicited the contract by issuing a Request for Proposals (RFP) for wireless data services. The contract term expires December 14, 2023.

The DWSD Procurement Policy requires that Detroit Based Businesses (DBB) and Detroit Resident Businesses (DRB) be provided an exclusive opportunity to submit a bid that is equal to or less than the cost of the cooperative purchase price, provided the DBB or DRB will meet or exceed all terms and conditions of the original cooperative contract. To ensure compliance, DWSD Procurement issued an Invitation to Respond (ITR) on MITN on January 22, 2020, which required an intent to respond due on January 28, 2020. The ITR yielded five responses; none of the vendors were DBB's or DRB's.

Therefore, it is recommended that Verizon Wireless be awarded DWSD Contract No. 6002684.

SUMMARY

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|----|---------------------------------|------------------|
| A. | Contract Purchase Agreement No. | 6002684 |
| B. | Contractor: | Verizon Wireless |

- C. Contract Term: 3/1/2020 - 12/14/2023
- D. Contract Amount: \$256,110
- E. Funding Source: O&M Funds (IT) and CIP Funds (Fleet)
- F. GL Strings for hardware one-time \$ 11,900 purchase:
5721-20244-487711-644600-004104-30129-0000-000000 - 50 % Water
5821-20243-497711-644600-004105-30129-0000-000000 - 50 % Sewer
GL Strings for ongoing software maintenance fees:
5720-20168-483301-622301-000205-10790-0000-000000 - 50 % Water
5820-20179-493301-622301-000226-15805-0000-000000 - 50 % Sewer
- G. Projected Fiscal Year (FY) Contract Expenditures:
FY 20: \$36,402 FY 21: \$73,236
FY 22: \$73,236 FY 23: \$73,236

This proposed contract was presented to the BOWC Finance Committee on February 5, 2020. Post-FRC review will also be obtained.