

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: INFORMATION TECHNOLOGY

AGENDA DATE: MARCH 10, 2009

CONTACT PERSON/PHONE: GARY GORDIER, CIO & IT DIRECTOR/541-4288
TERRENCE FREIBURG, PURCHASING MANAGER, 541-4313

DISTRICT(S) AFFECTED: ALL

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? **OR AUTHORIZE** the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

Request that the Purchasing Manager, Financial Services, Purchasing Division, be authorized to issue a Purchase Order to Continental Automotive Systems U.S. Inc., the current provider of the Automatic Vehicle Location (AVL) System being used by the City of El Paso's Police Department, Fire Department and Sun Metro for maintenance of hardware and software support. Siemens is the sole vendor authorized to provide services for the AVL System. Siemens has provided the appropriate letter and affidavit validating Siemens sole source status of this proprietary system. The IT Department has budgeted and will pay for the infrastructure and ResponseMaster Application used by the Police Department and Fire Department - \$275,000. Sun Metro will be responsible for the associated TransitMaster hardware and software - \$239,178. This will insure the continued functionality of a key system, which supports both public safety and transit departments. This is the second year of a three year contract. Total Amount \$514,178 for this year.

Additionally, it is requested authorization for City staff to negotiate, City Attorney's Office to review, and the City Manager be authorized to execute any related contract documents and agreements necessary during the contract.

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

The one-year warranty for the AVL System has expired and a maintenance agreement is required to provide support for both hardware and software associated with the infrastructure and components installed in the vehicles for the above noted departments. The Fire Department uses the system for making recommendation on all 911 calls and the Police Departments is using the system to track and assist vehicles in the field. El Paso's strategic location as the largest international metroplex in the United States, its strong military presence, and its geographical location along a major east-west interstate arterial make accessing a data base critical to the safety of First Responders and citizens of the community. Sun Metro is using the system as the cornerstone for the automation of transit services.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

Yes, this has been an annual contract we have entered for the past several years

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

Total Estimated Amount Not to Exceed \$514,178.00

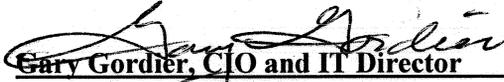
FY09 General Fund Account:
a. 39010352-502229-01101 Office Equip Maintenance Contracts - \$275,000.00
FY09
b. Sun Metro - - \$239,178.00

BOARD / COMMISSION ACTION:

Transit Board approval is required for the Sun Metro subtotal of \$239,178.00.

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD: 
Gary Gordier, CIO and IT Director

(Example: if RCA is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA: _____

CITY MANAGER: _____

DATE: _____

RECEIVED THE DEPT. OF PUBLIC WORKS
CITY OF DENVER
MAY 15 10 39 AM '09

FINANCIAL SERVICES
PURCHASING DIVISION

DATE: February 16, 2009

TO: Municipal Clerk

FROM: Terrence Freiburg

Financial Services,
Purchasing Division

Ray Heredia

Procurement Analyst

Please place the following item on the COUNCIL Consent Agenda for the

Council Meeting of March 10, 2009

Item should read as follows: Request that the Purchasing Manager, Financial Services, Purchasing Division, be authorized to issue a Purchase Order to Continental Corporation, the sole source provider of Automatic Vehicle Locator (AVL) System currently used by the El Paso Police Department and Fire Department for maintenance of hardware and software support. Second Year of a three year contract. Total Amount for Police and Fire Departments \$275,000.00. Reference 2008-160. First year awarded by Council on March 11, 2008.

Funds available in: 39010352-502229-01101, Information Services, Communication - Operating Account, Maintenance Contracts

Department: Information Technologies

City Clerk's Use

ITEM NO. _____



**FINANCIAL SERVICES
PURCHASING DIVISION**

SOLE SOURCE AFFIDAVIT

THIS IS AN OFFICIAL PURCHASING DOCUMENT - RETAIN WITH PURCHASE ORDER FILE

Before me, the undersigned official, on this day, personally appeared CRAIG N. MYERS, a person known to me to be the person whose signature appears below, whom after being duly sworn upon his/her oath deposed and said:

1. My name is CRAIG N. MYERS. I am over the age of 18, have never been convicted of a crime and am competent to make this affidavit.
2. I am an authorized representative of the following company or firm: CONTINENTAL
3. The above named company or firm is the sole source for the following item(s), product(s) or service(s):
TRANSIT MASTER
RESPONSE MASTER
4. Competition in providing the above named item(s) product(s), service(s) is precluded by the existence of a patent, copyright, secret process or monopoly as stated under Section 252.022, Subchapter A of the Local Governmental Code 7A or as provided for under 7B-F of the same section. Also, attached hereto is a sole source letter, which sets forth the reasons why this Vendor is a sole source provider (dated and signed).
5. There is/are no other like item(s) or product(s) available for purchase that would serve the same purpose or function.
6. Note: This Vendor understands that by providing false information on this Sole Source Affidavit, it may be considered a non-responsible Vendor on this and future purchases and may result in discontinuation of any/all business with the City of El Paso.

Craig N. Myers
Signature

SUBSCRIBED AND SWORN to before me on this 3RD day of March, 2008.



Estela Corral
NOTARY PUBLIC
ESTELA CORRAL
PRINTED NAME
April 26, 2011
MY COMMISSION EXPIRES

COMPANY NAME: CONTINENTAL AUTOMOTIVE SYSTEMS
 ADDRESS, CITY, STATE & ZIP CODE: 2400 EXECUTIVE HILLS DRIVE AUBURN HILLS MI 48326
 PHONE: 319-744-1000 FAX NUMBER: _____
 CONTACT NAME AND TITLE: _____
 WEB ADDRESS: _____ EMAIL: _____
 FEDERAL TAX ID NUMBER: 3784645 TEXAS SALES TAX NUMBER: _____



Division Interior

20February 2009

City of El Paso
Attn: Ms. Bonnie Guinn (COEP AVL Project Manager)
Attn: Mr. Sal Ochoa (Sun Metro AVL Project Manager)
700-A San Francisco
El Paso, Texas 79901

Subject: Sole Source Justification

Dear Bonnie and Sal:

The City of El Paso ("COEP") purchased the TransitMaster™ and ResponseMaster™ software products and associated hardware and software from Siemens VDO Automotive Corporation. Effective 3 December 2007, Siemens VDO was purchased by the Continental Corporation and is now Continental Automotive Systems US, Inc. ("Continental").

Continental is the principal developer and proprietary owner of the TransitMaster™ and ResponseMaster™ systems and, therefore, Continental is the sole source distributor of both of these products, as well as the sole source provider of maintenance on the associated, proprietary software, and repair of the associated, on-board AVL electronics. As the vehicle inventory for COEP increases and additional hardware and software products are required to be purchased for the COEP AVL system, Continental wishes to express the fact that equipment purchased from, and/or installed by, a third-party may not be compatible with the Continental AVL system and in some cases may void any existing warranty or maintenance coverage on the Continental-installed AVL system.

Best Regards,

Craig N. Myers

Craig Myers
Project Manager/Engineer
Continental Automotive Systems US, Inc.
5265 Rockwell Dr. N.E.
Cedar Rapids, IA 52402 USA
Tel. 915.227.1922

**MOTION
MARCH 11 2008**

Motion made by Representative Ortega, seconded by Representative Byrd, and unanimously carried to **AUTHORIZE** the Purchasing Manager for Financial Services, Purchasing Division, to issue a purchase order to Continental Corporation, the sole source provider of Automatic Vehicle Locator (AVL) System currently used by the El Paso Police and Fire Departments (\$275,000) and Sun Metro (\$239,178) for maintenance of hardware and software support.

Department:	Information Technology
Account Nos. Police & Fire:	39010352 – 502229 – 01101
Mass Transit:	60600011 – 508035 – 11601 – G600335
	60600011 – 508035 – 11606 – G600342
	60600011 – 508006 – 11677 – G600463
Funding Source:	Information Services, Operating Account, Office Equipment Maintenance Contracts and Various FTA Grants
Total Estimated Annual Amount:	\$514,178
Sole Source No.:	2008-160

Richarda Duffy Momsen, City Clerk



City of *El Paso*, Texas

Certificate of Obligation Notice and Authorization Process

March 10, 2009

Certificate of Obligation Notice and Authorization Process

- Council passes Resolution to publish Notice of intention to issue certificates of obligation
 - Resolution passed March 10, 2009
 - 1st publication of Notice must precede date of authorization by at least 31 days
- Council acts on parameter Ordinance authorizing issuance of certificates of obligation
 - April 14, 2009

Parameter Authorization

- Parameter authorization will enable sale of certificates of obligation at optimum timing and structure within 6 month period
 - Interest rates are volatile (see page 8)
- Council delegates final pricing authority to Pricing Officer(s)
- Council will establish sale parameters in Ordinance
 - Maximum Interest Rate
 - Aggregate Principal Amount of Issue
 - Final Maturity Date
 - Expiration of Delegated Authority
 - 6 Months
- Pricing Officer can only approve sale if Council parameters are met.

Projects and Sizing of Certificate of Obligation Issue

Purpose	Project Amount	Repayment Term
General Projects (2006 Authorization)	\$ 50,000,000	25 Years
General Projects (2008 Authorization)	5,000,000	25 Years
Fleet Replacement (2008 Authorization)	10,000,000	7 Years
Sun Metro* (2008 Authorization)	12,000,000	25 Years
	<hr/> 77,000,000	

*Self-supported by Sun Metro Revenues

Maximum Issue Size: \$79,500,000**

**includes all costs of issuance and capitalized interest

Summary of Existing and Projected Council Authorized Debt for Projects Funded with Certificates of Obligation

	<u>January 2006</u>	<u>August 2006</u>	<u>December 2008</u>		
			<u>General Projects ⁽¹⁾</u>	<u>SunMetro ⁽²⁾</u>	<u>Total</u>
Beginning Authorized Amount	\$ 100,000,000	\$ 100,000,000	\$ 35,519,181	\$ 37,608,956	\$ 73,128,137
LESS: May 2007 Proceeds	35,000,000	-	-	-	-
LESS: January 2009 Proceeds	<u>5,000,000</u>	<u>45,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Remaining Balance after May 2007 & January 2009 Issuances	\$ 60,000,000	\$ 55,000,000	\$ 35,519,181	\$ 37,608,956	\$ 73,128,137
LESS: Summer/Fall 2009 Proceeds	<u>15,000,000</u>	<u>35,000,000</u>	<u>15,000,000</u>	<u>12,000,000</u>	<u>27,000,000</u>
Remaining Balance after Summer/Fall 2009 Issuance	\$ 45,000,000	\$ 20,000,000	\$ 20,519,181	\$ 25,608,956	\$ 46,128,137
LESS: Projected Spring 2010 Proceeds	45,000,000	5,000,000	-	-	-
LESS: Projected Fall 2010 Proceeds	<u>-</u>	<u>15,000,000</u>	<u>20,519,181</u>	<u>-</u>	<u>20,519,181</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,608,956 ⁽³⁾</u>	<u>\$ 25,608,956</u>

(1) Includes \$10,000,000 of Fleet Replacement.

(2) Includes \$16,000,000 of Bus Acquisition; associated debt service to be self-supported from SunMetro revenues.

(3) Projected timing of Sun Metro issuance not included above.

Planned Certificate of Obligation Issuance

- All projected issuances in the preceding schedule must be approved by the City Council at a later time; accordingly, the amounts and timing illustrated in the schedule are for planning purposes
- Projected tax rate for overall tax-supported debt service, including all projected issues, is modeled not to exceed \$0.25

Potential Benefit of Economic Recovery Act for City's issuance of Certificates of Obligation

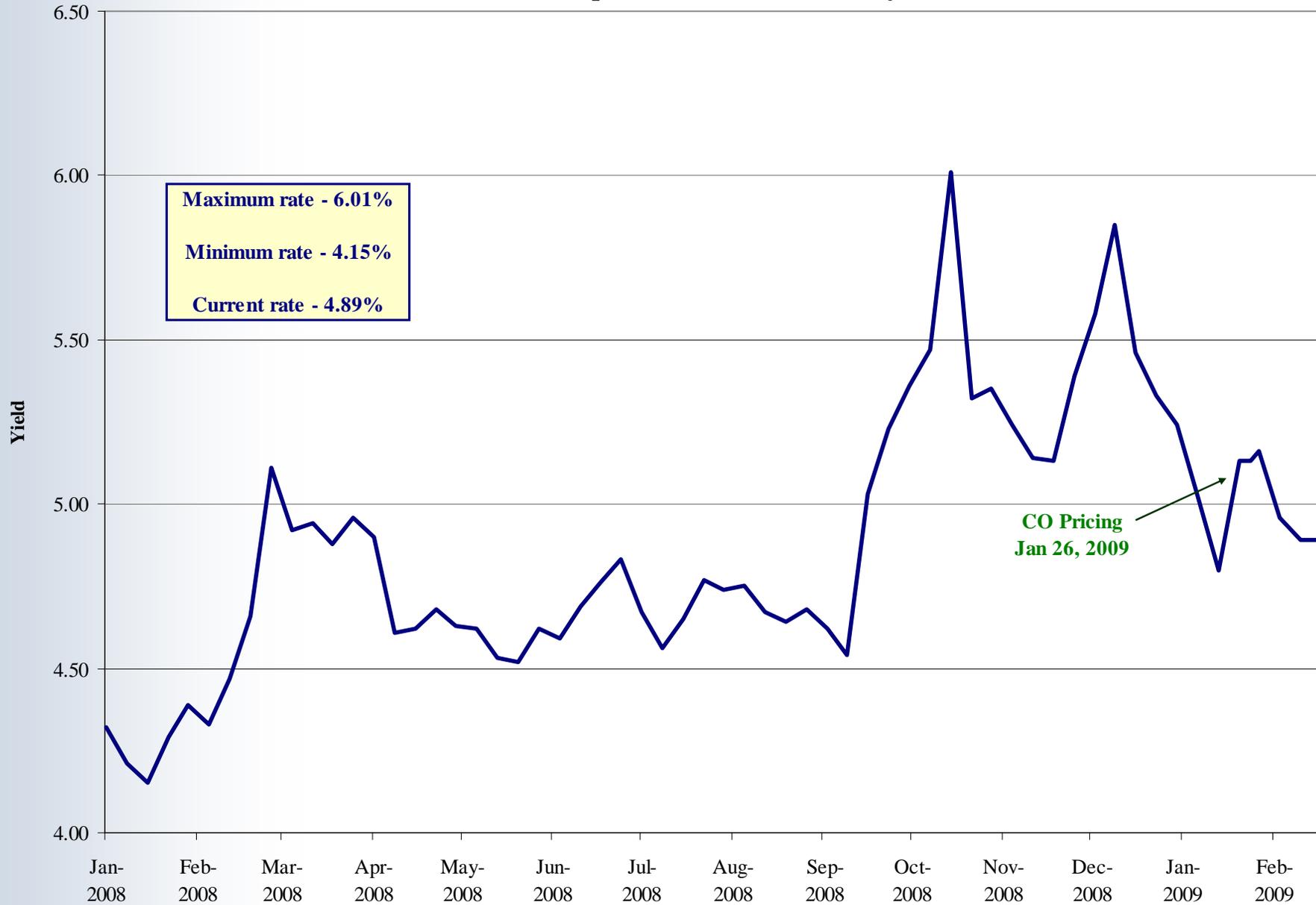
“Build America Bonds” are authorized to be issued for certain capital and infrastructure improvements

- Taxable bonds in which either the purchaser receives a federal tax credit or the issuer receives a payment equal to 35% of taxable interest cost
- Based on current interest rates, receipt of 35% of taxable interest cost possibly has benefit for longer portion of debt issuance, compared to issuance of tax-exempt debt

First Southwest Company will assist the City in determining whether issuance of “Build America Bonds” has economic benefit for a portion of upcoming certificate of obligation issuances, versus issuance of tax-exempt certificates of obligation

Historical Interest Rates

BBI Tax Exempt GO Index Since January 2008



Recommendation for action by the City Council

City Administrative Staff recommends approval of the Resolution to publish Notice of Intention to issue Certificates of Obligation

- Ordinance Authorizing Issuance and establishing parameters for delegated authority to approve pricing and sale to be considered by City Council on April 14