

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

DEPARTMENT: Environmental Services

AGENDA DATE: August 5, 2008

CONTACT PERSON/PHONE: Ellen Smyth, 621-6719 / Terrence Freiburg, 541-4313

DISTRICT(S) AFFECTED: Citywide

SUBJECT:

Request that the Purchasing Manager of the Financial Services Department, Purchasing Division be authorized to issue a Purchase Order to GTSI Corp. for GIS Routing Services in the amount of \$316,216.58, for residential solid waste and recycling collection route optimization software and services. This service is being facilitated through the U.S. Communities Purchasing Alliance Program contract with GTSI Corp.

BACKGROUND / DISCUSSION:

The Environmental Services Department would like to use contract RQ03-605674-16A of the U.S. Communities Purchasing Alliance Program. The participation of the City of El Paso in the U.S. Communities Purchasing Alliance Program has been approved by Mayor and Council and has been previously used for purchases. GTSI Corp. is a listed contractor under the U.S. Communities program under the "Technology Solutions" category. GTSI is an approved vendor under this category, and as such, well suited for our needs in performing route optimization for residential solid waste and recycling collection routes. GTSI and its sub-consultant have performed previous route optimization work for the City of Houston. GTSI will pay the 1% fee associated with using the U.S. Communities contract.

PRIOR COUNCIL ACTION:

Council has approved participation in the U.S. Communities Purchasing Alliance Program in July 2006, and recommended continued participation in the program in January 2007.

AMOUNT AND SOURCE OF FUNDING:

The proposed cost estimate for the contract work is \$316,216.58. The funding source for these services is coming from Fund 40403 (Environmental Services), Deptid 34010289, Account 508035, Class 34000. Funding is available and will not require a budget transfer.

BOARD / COMMISSION ACTION:

N/A

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

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

DEPARTMENT HEAD: Ellen Smyth

(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: _____

PROJECT FORM

DATE: July 24, 2008

PROJECT: GIS Routing Services for Residential Solid Waste and Recycling Collection
SOLICITATION NO: 2008-235 DEPARTMENT: Environmental Services
BUDGET NO: 34010289-508035-40403
FUNDING SOURCE: Environmental Services
REPRESENTATIVE DISTRICT(S): All

RECOMMENDATION: Vendor: GTSI Corporation
Chantilly, VA
Item: GIS Routing Services
Amount: \$316,216.58

Environmental Services and Financial Services Departments recommend issuing a purchase order to GTSI Corporation for GIS Routing Services under U.S. Communities Purchasing Alliance Program contract number RQ03-605674-16A (Technology Solutions) in the amount of \$316,216.58 for residential solid waste and recycling collection route optimization software and services.

GTSI Corporation was selected because there are no local GIS route optimization vendors and GTSI and its sub-consultant IIT have provided similar services for the City of Houston, TX, Shreveport, AR, and Phoenix, AZ and other national solid waste collection/disposal companies.

The participation by the City of El Paso in the U.S. Communities Purchasing Alliance Program was approved by Mayor and City Council on February 27, 2007.

COUNCIL APPROVED [] REJECTED [] MUNICIPAL CLERK _____

APPROVED:

COUNCIL MEETING DATE: August 5, 2008

Handwritten signature of Terrence Freiburg
Terrence Freiburg
Purchasing Manager
Financial Services, Purchasing Division

cc: Bid File

JOHN COOK
MAYOR



CITY COUNCIL
ANN MORGAN LILLY, DISTRICT 1
SUSANNAH M. BYRD, DISTRICT 2
EMMA ACOSTA, DISTRICT 3
MELINA CASTRO, DISTRICT 4
RACHEL QUINTANA, DISTRICT 5
EDDIE HOLGUIN JR., DISTRICT 6
STEVE ORTEGA, DISTRICT 7
BETO O'ROURKE, DISTRICT 8

JOYCE WILSON
CITY MANAGER

PATRICIA ADAUTO
DEPUTY CITY MANAGER

ELLEN A. SMYTH, P.E.
DIRECTOR

ENVIRONMENTAL SERVICES

TO: Terry Freiburg, Purchasing Manager
Ed Hyatt, Administrative Analyst

FROM: Ellen A. Smyth, P.E., Director

SUBJECT: U.S. Communities Purchasing Alliance Program – GIS Routing Services

DATE: July 18, 2008

The following are the decision factors to be considered in determining whether utilizing a procurement program is the best approach to the purchase of a product (as approved by City Council on June 24, 2008). They are addressed in light of the proposed utilization of U.S. Communities Purchasing Alliance Program contract number RQ03-605674-16A (Technology Solutions) to issue a \$316,216.58 purchase order to GTSI Corporation for residential solid waste and recycling collection route optimization software and services.

1. Is there an urgent need for the product/service? In other words, is time of the essence?

Yes. The City's residential solid waste and recycling collection routes are currently not optimized and not efficiently balanced. As City growth continues in the northwest, northeast, and east, collection routes must be optimized and rebalanced to ensure the most efficient collection is provided. The current system of developing routes is through an outdated system of paper mapping that does not lend itself to proper route optimization. With continued growth in the City and with escalating fuel prices, creating optimized collection routes will ensure that the City provides the most efficient collection services.

Industry estimates that it costs somewhere between \$120,000 to \$150,000 per year to keep a truck on the road. Improvements in efficiency and route optimization can produce a return on investment in very short order. For example the City of Houston went from 103 trucks on a daily basis to 86 trucks, at the same time that they added 80,000 new homes to their workload. It is expected that similar results would occur in El Paso. With escalating costs in fuel and an expanding customer-base, it is imperative that we optimize and balance our routes with a proven product.

2. *Does the purchase through the Program promote the standardization of equipment?*

Yes. The route optimization software will utilize the City's existing GIS database and is compatible with the City's standard GIS software. Furthermore, it will balance workload among routes taking into consideration distance from collection route to disposal location (landfill/recycling center). Adding these route optimizations will aide our fleet management in equipment maintenance control (reducing overall miles), reducing our overall fleet, and reduce our overall fuel consumption.

3. *Does the purchase through the Program support local business? If not, is there a comparable product/service available locally?*

There are currently no local GIS route optimization vendors. GTSI and its sub-consultant IIT have Texas offices in Austin and The Woodlands. IIT has also done considerable work with both private and public clients in the State of Texas.

4. *Do the available vendors have prior work experience and/or familiarity with the City?*

Yes. GTSI and IIT have provided similar services for the City of Houston, Texas. IIT has also provided similar services for the cities of Shreveport, Arkansas and Phoenix, Arizona, and for national solid waste collection/disposal companies Waste Management and Allied Waste. The software is specifically designed for route optimization of waste collection operations. Particularly important are the constraints of residential routing problem characteristics as they relate to the collection route and the disposal option. These problem characteristics are embedded in the routing algorithm engine of the IIT product.

5. *Is the pricing comparable (fair and reasonable) to other similar products/work performed in the past or quoted from other companies?*

Yes. The pricing offered by GTSI Corporation is fair and reasonable compared to the similar services provided by the vendor and its sub-consultant with other cities. We have looked at other software and have determined that due to the arc-routing (rather than point-to-point) system, IITs product fits our need for residential collection. The City of Houston and the City of Shreveport received pricing that is comparable to the quote the City of El Paso received. While there are many other variables (number of users, services, GPS equipment) that can modify pricing, we believe the pricing El Paso has received is fair and reasonable.

The Environmental Services Department recommends utilizing the U.S. Communities Purchasing Alliance Program contract number RQ03-605674-16A (Technology Solutions) to issue a \$316,216.58 purchase order to GTSI Corporation for all the above reasons.

The participation by the City of El Paso in the U.S. Communities Purchasing Alliance Program was approved by Mayor and City Council in July 2006, and recommended for continued participation in the program in January 2007.

Attachment 1

**U.S. COMMUNITIES
ADMINISTRATION AGREEMENT**

This ADMINISTRATION AGREEMENT (THIS "Agreement") is made this 15th day of MAH, 2003, between the U.S. Communities Purchasing and Finance Agency (herein "Agency") and GTSI Corp. (herein "Supplier").

RECITALS

WHEREAS, the County of Fairfax, Virginia (herein "Lead Public Agency") has entered into a Master Agreement dated _____, 2003, Agreement No. RQ03-605674-16A, by and between the Lead Public Agency and Supplier, as may be amended from time to time in accordance with the terms thereof (the "Master Agreement"), for the purchase of Computers—Hardware, Software, and Services (herein "Product");

WHEREAS, said Master Agreement provides that any or all public agencies (herein "Participating Public Agencies") may purchase Product at prices stated in the Master Agreement;

WHEREAS, the Agency is an instrumentality of government with the administrative and legal capacity to administer purchases under the Master Agreement to Participating Public Agencies;

WHEREAS, the Agency serves as the administrative agent for Lead Public Agency and other lead public agencies with regard to other Master Agreements offered through the U.S. Communities Government Purchasing Alliance;

WHEREAS, Lead Public Agency desires the Agency to proceed with administration of the Master Agreement on the same basis as other Master Agreements;

WHEREAS, the Agency and Supplier desire to enter into this Agreement to make available the Master Agreement to Participating Public Agencies on a national basis;

NOW, THEREFORE, in consideration of the payments to be made hereunder and the mutual covenants contained in this Agreement, the Agency and Supplier hereby agree as follows:

DEFINITIONS

1. Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings given to them in the Master Agreement.

TERMS AND CONDITIONS

2. The Master Agreement, as attached hereto as Exhibit I and incorporated herein by reference as though fully set forth herein, and the terms and conditions contained therein shall apply to this Agreement except as expressly changed or modified by this Agreement.

3. The Agency shall be afforded all of the rights, privileges and indemnifications afforded to Lead Public Agency under the Master Agreement, and such rights, privileges and indemnifications shall accrue and apply with equal effect to the Agency under this Agreement including, but not limited to, the Supplier's obligation to provide the indemnification and insurance set forth in the General Conditions and Instructions to Suppliers.

4. The Supplier shall perform all of its duties, responsibilities and obligations in the time and manner as required to be performed by the Supplier as set forth in the Master Agreement.

5. The Agency shall perform all of its duties, responsibilities and obligations as administrator of purchases under the Master Agreement as set forth herein, and Supplier hereby agrees that the Agency shall act in the capacity of administrator of purchases under the Master Agreement.

6. With respect to any purchases by Lead Public Agency or any Participating Public Agency pursuant to the Master Agreement, the Agency: (i) shall not be construed as a dealer, re-marketer, representative, partner or agent of any type of the Supplier, Lead Public Agency or such Participating Public Agency; (ii) shall not be obligated, liable or responsible for any order made by Lead Public Agency or any Participating Public Agency or any employee thereof under the Master Agreement or for any payment required to be made with respect to such order; and (iii) shall not be obliged, liable or responsible for any failure by any Participating Public Agency to comply with procedures or requirements of applicable law or to obtain the due authorization and approval necessary to purchase under the Master Agreement. The Agency makes no representation or guaranty with respect to any minimum purchases by Lead Public Agency or any Participating Public Agency or any employee thereof under this Agreement or the Master Agreement.

TERM OF AGREEMENT

7. This Agreement shall be in effect so long as the Master Agreement remains in effect, provided, however, that all indemnifications afforded by the Supplier to the Agency shall survive the term of this Agreement.

Attachment 1

U.S. COMMUNITIES
ADMINISTRATION AGREEMENT

NATIONAL PROMOTION

8. Agency and Supplier shall publicize and promote the availability of the Master Agreement's products and services to any other public agencies and such agencies' verified employees. Supplier has reviewed, understands and agrees to the Supplier Commitments and Program Standards attached hereto and incorporated herein as Exhibit II. Supplier's failure to maintain the Commitments and/or comply with the Program Standards shall be a material breach under this Agreement and if not cured within thirty (30) days of written notice to Supplier shall be deemed a cause for termination of the Master Agreement at Lead Public Agency's sole discretion or this Agreement at the Agency's sole discretion.

9. Lead Public Agency shall execute a completed Lead Public Agency Certificate to a Master Intergovernmental Cooperative Purchasing Agreement. An example of the Lead Public Agency Certificate is attached hereto as Exhibit III and an example of the Master Intergovernmental Cooperative Purchasing Agreement is attached hereto as Exhibit IV. Supplier shall require each Participating Public Agency register its participation in the U.S. Communities program using the electronic registration feature at www.uscommunities.org. No purchases shall be made hereunder until the applicable public agency has registered electronically with U.S. Communities.

10. Upon request, Supplier shall make available to interested public agencies a copy of the Master Agreement and such price lists or quotes as may be necessary for such agencies to evaluate potential purchases. Supplier authorizes Agency's use of Supplier's name, trademarks and materials in promoting the use of the Master Agreement.

QUARTERLY FEES & REPORTING

11. Supplier shall pay Agency a quarterly administrative fee in the amount of 1% of the total purchase price, excluding taxes and shipping, for all purchases under the Master Agreement and provide the Agency with an electronic accounting report, in a format prescribed by the Agency, summarizing all purchases under the Master Agreement. A sample of the reporting format appears at Exhibit V. Quarterly fees and reports shall be made with respect to all purchases shipped and billed pursuant to the Master Agreement for the applicable quarter.

12. Supplier shall at its expense maintain an accounting of all purchases made by Participating Public Agencies. Agency and Lead Public Agency reserve the right to audit the accounting for a period of four (4) years from the date the Agency receives the accounting. In the event of such an audit, the requested materials shall be provided at the location designated by Lead Public Agency or Agency. Quarterly reports and the administrative fee applicable to each quarter are due within 30 days of the end of each calendar quarter as set forth above. The Agency reserves the right upon reasonable advance notice to Supplier to change the prescribed report format to accommodate the distribution of the administrative fee to program sponsors and state associations of government.

13. Failure to provide a quarterly report and/or payment of the administrative fee within the time and manner specified shall be regarded as a material breach under this Agreement and if not cured within thirty (30) days of written notice to Supplier shall be deemed a cause for termination of the Master Agreement at Lead Public Agency's sole discretion or this Agreement at the Agency's sole discretion. All administrative fees not paid within 30 days of the end of each quarter shall bear interest at the rate of 1 1/2% per month until paid. Administrative fee payments shall be made by check or wire to U.S. Communities or the Agency's Designee or Trustee as may be directed in writing by the Agency.

14. Agency or its designee may, at the Agency's sole discretion, compare public agency records with quarterly reports submitted by Supplier. If there is a discrepancy, the Agency will notify the Supplier in writing. Supplier will have 30 days from the date of such notice to resolve the discrepancy to the Agency's reasonable satisfaction. If the Supplier does not so resolve the discrepancy, the Agency shall have the right to engage outside services to conduct an independent audit of Supplier's quarterly reports and Supplier shall be obligated to reimburse the Agency's costs and expenses for such audit.

GENERAL PROVISIONS

15. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other agreement, statement, or promise relating to the subject matter of this Agreement which is not contained herein shall be valid or binding.

16. If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs in addition to any other relief to which he may be entitled.

17. This Agreement and the Agency's rights and obligations hereunder may be assigned at Agency's sole discretion, to an existing or newly established legal entity that has the authority and capacity to perform Agency's obligations hereunder.

Attachment 1

**U.S. COMMUNITIES
ADMINISTRATION AGREEMENT**

18. All reports, notices or other communications given hereunder shall be delivered by first-class mail, postage prepaid, or overnight delivery requiring signature on receipt to the addresses as set forth below. The Agency may, by written notice delivered to Supplier, designate any different address to which subsequent reports, notices or other communications shall be sent.

A. Agency
U.S. Communities
2175 N. California Bl., Suite 550
Walnut Creek, CA 94596
Attn: Program Manager Administration

B. Lead Public Agency
County of Fairfax, Virginia
12000 Government Center Parkway,
Suite 427
Dept of Purchasing & Supply Mgmt
Fairfax, VA 22035-0013
Attn: Lonnnette Robinson

C. Supplier
GTSI Corp
3901 Stonecroft Blvd.
Chantilly, VA 20151
Attn: U.S. Communities Project Manager

19. If any provision of this Agreement shall be deemed to be, or shall in fact be, illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

20. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

21. This Agreement may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the parties hereto.

22. This Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of California as a contract executed and delivered within the State of California and to be fully performed within the State of California.

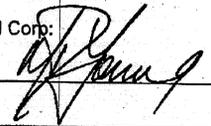
23. This Agreement shall inure to the benefit of and shall be binding upon the Agency, the Supplier and any successor and assign thereto; subject, however, to the limitations contained herein.

IN WITNESS WHEREOF, the U.S. Communities Purchasing and Finance Agency has caused this Agreement to be executed in its name and the Supplier has caused this Agreement to be executed in its name, all as of the date first above written.

U.S. COMMUNITIES PURCHASING AND FINANCE AGENCY

By _____ [typed name]

GTSI Corp:

By  _____
Dendy Young, Chairman & CEO

03/10/2003



FAIRFAX COUNTY

DEPARTMENT OF PURCHASING & SUPPLY MANAGEMENT
12000 Government Center Parkway, Suite 427
Fairfax, Virginia 22035-0013

www.co.fairfax.va.us/dpsm

V I R G I N I A

Telephone: (703) 324-3201 Fax: (703) 324-3228 TTY 1-800-828-1140

Date: July 24, 2003

Revised NOTICE OF AWARD OF CONTRACT

SUBJECT: Computers: Brand Name, Peripherals, Software, and Related Services

CONTRACT NUMBER: RQ03-605674-16A

COMMODITY CODE: 3573, 3577 & 7374

CONTRACT PERIOD: May 1, 2003 through April 30, 2006

RENEWALS: 3-1 Year renewals (Paragraph 25 of the Special Provisions)

SUPERSEDES CONTRACT: RQ00-341360-16A-G

CONTRACTOR:

A – GTSI Corp.
3901 Stonecroft Boulevard
Chantilly, Virginia 20151-1010

Contact: Pete Rivers/Steve Hammond
Telephone: (800) 681-2378
Website: www.gtsi.com/uscommunities

VENDOR CODE:

B541248422 02

DISCOUNTS: See Attached for discounts per manufacturer

DPSM CONTRACTUAL CONTACT:

Lounette Robinson, CPPB
Telephone Number: (703) 324-3281
E-mail: lonnette.robinson@fairfaxcounty.gov

SPECIAL INFORMATION AND INSTRUCTIONS FOR FAIRFAX COUNTY AGENCIES ONLY:

A purchase order will be issued by the Department of Purchasing and Supply Management to the Contractor for each County Agency utilizing this contract. The purchase order will cite the period of time and will indicate an agency authorization order code to be used when ordering to identify those County employees who are authorized to place orders/calls.

FAIRFAX COUNTY/US COMMUNITIES



OVERVIEW OF THE U.S. COMMUNITIES BID TABULATION AND SELECTION PROCESS

1. 21 competitive proposals were received

CDW-G	Gateway	Micron
CompUSA	Global	MicroWarehouse
Dell	GTSI	Minolta
DISYS	GovPlace	Office Depot
DLT Solutions	Insight	Sigma
Evisions	Ismart	SoftwareHouse
Equus	Mainline	Unisys

2. Three proposals made it through the technical evaluation process where vendors were technically ranked based on the following:
 - a. Company
 - b. Distribution
 - c. Marketing
 - d. Products
 - e. Administration

The 3 final vendors were GTSI, CDW-G, and Micro Warehouse.

3. Following this process, the final 3 vendors had their Business/Cost proposals reviewed where they were ranked on reasonableness of cost based on the business proposal evaluation criteria (Factors A-E).

4. Combined technical and business/cost proposals rankings were as follows. These were the companies invited to the Oral Interview and Demonstration.

GTSI	184.18
CDW-G	178.64
MicroWarehouse	160.12

5. There were no discernable weaknesses regarding GTSI.