

City Council – Action Request Form

Date: February 23, 2018
To: The City Manager
From: Thomas Kureczka, Chief Information Officer

Council Action Requested:

Approval of Contract with Verizon for Automated Vehicle Location Services.

Strategic Focus Area: Service Excellence
Strategic Objective: Ensure Service Delivery Efficiency and Effectiveness
Strategic Plan Action Item: No
Key Work Item: No



Summary of Information:

At their August 21, 2017 meeting the Mayor and City Council approved the renewal of a contract with RMJ Technologies (RMJ) for Automated Vehicle Location (AVL) Services. The original contract with RMJ was executed in 2014. RMJ is a third party reseller of Verizon's Networkfleet global positioning system and cellular air services. The renewal approved in August included a one year extension of the services and authorization to enter into annual contracts for two additional years subject to approved funding through the annual budget process.

The Verizon services are used to track the location and status of vehicles in our fleet, helping to realize fuel savings, increased security, and improved employee safety and productivity. Staff has the ability to know the location and status of vehicles in real time, providing departments the ability to easily dispatch a crew closest to service location. Staff receives trend analysis reports that help better understand fleet utilization. Staff has the ability to swap devices between vehicles, register new vehicles, remove vehicles from the fleet, and identify non-reporting vehicles.

Committee Action:

Committee	<u>Finance 3/19/2018</u>	Action	<u>Approval</u>
For	<u>Unanimous</u>	Against	<u></u>

Remarks:

Verizon has informed staff that they are moving away from their business model of using third-party resellers for the sale and provision of these services. Going forward, customers will work directly with Verizon for these services. With this change the City needs to cancel the contract with RMJ and execute a new contract with Verizon. Staff is working with both RMJ and Verizon on this transition to ensure continuity of the services.

Verizon has provided a quote for the new contract using General Services Administration (GSA) pricing. The quote represents a one-year contract at a unit cost of \$18.95 per device (vehicle) per month for the bundled air time and support services. At the end of the one-year contract, the City will be on a month-to-month billing basis at the same unit rates. The combination of the elimination of third-party resellers and GSA pricing results in a significant savings for the City. Based on the current number of 1,171 fleet vehicles, the yearly savings with the new contract will be \$64,000. Any variations in our monthly invoices would be the result of the City initiating vehicle removals and/or additions.

It is recommended that the City enter into a new one-year contract with Verizon. The amount of the contract, based upon 1,171 currently registered vehicles, would be \$266,285.40. Funding for these services was allocated in the approved FY 17-18 operating budget. It is further requested that the authorization be provided to continue these services, on a month-to-month basis, for two additional years subject to approved funding through the annual budget process.

Workforce Demographics: See Exhibit A

Note: The Property and Facilities Management Director is working on a Key Work Item to produce an AVL Cost/Benefit Analysis Report, with a scheduled June completion date.