

City Council – Action Request Form

Date: September 13, 2021

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Johnnie Taylor, Assistant City Manager
Thomas Kureczka, Chief Information Officer

Council Action Requested:
Resolution Approving the Continued Purchase from Verizon of 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 February 23, 2018 meeting the Mayor and City Council approved a contract with Verizon for Automated Vehicle Location (AVL) services and use of Verizon’s Networkfleet global positioning system and cellular air services. The approval was for use of the Verizon services from July 1, 2018 through June 30, 2019, and approval to continue these services, on a month-to-month basis, 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	Finance 9/13/2021	Action	Approval
For	Unanimous	Against	
Remarks:			

The contract approved in 2018 was based on a quote for General Services Administration (GSA) pricing. The quote represented 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 was on a renewable month-to-month billing basis at the same unit rates. The combination of the elimination of Verizon's previous practice of working through third-party resellers and the GSA pricing resulted in a significant savings for the City. Based on the number of 1,171 fleet vehicles at the time, the yearly savings with the new contract was \$64,000. Any variations in our monthly invoices since July 2018 have been the result of the City initiating vehicle removals and/or additions.

As of July 2021 the City has 1,376 devices connected to the Verizon services. The current unit cost that the City is being invoiced for through the General Services Administration pricing is \$16.19, a reduction of \$2.76 in the monthly cost per device from the 2018 pricing. Verizon will continue to invoice the City at this unit rate on a month-to-month basis. Continuation of these services is not available from resellers and must be purchased exclusively through Verizon. Per the City's purchasing policy, any sole-sourced request over \$30,000 requires approval by City Council.

It is recommended that the City continue these services on the month-to-month basis for FY 21-22. The annual cost of the services, based upon 1,376 currently registered vehicles, will be \$267,329.28. Funding for these services was allocated in the approved FY 21-22 operating budget.

Such requests for approval from Council often include the request for approval and authorization to continue these services for two or three additional years, subject to approved funding through the annual budget process. The reason that this request for approval is for just one year is because Verizon has announced that they will stop supporting and will shut down their 3G Network on December 31, 2022. The City's existing AVL devices will stop transmitting on that date. It should be noted that AT&T and T-Mobile have similar plans for 2022. Staff has a FY21-22 Key Work Item to perform an assessment and produce a strategy for the replacement of the Verizon AVL solution.

Workforce Demographics: See Exhibit A