

**CITY OF OAKLAND**  
**AGENDA REPORT**

2010 DEC -2 PM 12: 39

TO: Office of the City Administrator  
ATTN: Dan Lindheim  
FROM: Public Works Agency  
DATE: December 14, 2010

RE: **Resolution Waiving Advertising And Bidding Requirements Of The Oakland Municipal Code For The Purchase Of Automated Vehicle Locators And Installation And Data Services, So That The City Administrator May Enter Into A Contract With Its Current Supplier, Networkfleet, Inc., In An Amount Not To Exceed His \$100,000.00 Purchase Authority**

---

**SUMMARY**

Staff recommends the approval of a resolution waiving advertising and bidding requirements for the purchase and mounting of automated vehicle locators (AVL) and monthly data services associated with each AVL unit from Networkfleet, Inc., so that the City Administrator may purchase additional AVL units for the Public Works Agency's fleet from its current supplier, Networkfleet, Inc.

The City of Oakland, Public Works Agency (PWA) purchased and mounted 125 Networkfleet AVL units within PWA vehicles as part of the implementation of the Cityworks computerized maintenance management system application in 2009. With the AVL units, supervisors are using the information to more efficiently deploy staff, especially on emergency requests that arise during the course of the work day.

City Council approval is required to secure authority to purchase additional AVL units at a cost of \$375 each, as well as to make payment on the monthly data service fees of \$24.95 per month that are associated with each AVL unit. The City Administrator will purchase additional AVL units and data services from its current vendor within his purchase authority of \$100,000.00 if the advertising and bid waiver is approved.

**FISCAL IMPACT**

The one-time cost for the purchase and mounting of an AVL unit is \$375. This unit price will be valid for a five year period. The ongoing cost for the access and usage service fees associated with each AVL unit is \$24.95 per unit, per month (or \$300 per unit annually). These monthly fees can be terminated on a per unit basis should the City determine that the data services received through an AVL unit is no longer needed.

Item: \_\_\_\_\_  
Finance and Management Committee  
December 14, 2010

Currently, PWA has 125 AVL units installed and operational, and expends approximately \$3,100 per month (\$37,425 annually) for data services. The approval of the proposed resolution extends the authority to continue use of the AVL units for \$24.95 per unit, per month.

The future purchase and use of additional AVL units will depend upon demand and available funds. Each PWA work unit will be responsible for funding the costs of each AVL unit (purchase, installation and monthly subscription) within their existing budget allocation.

## **BACKGROUND**

On September 18, 2007, City Council Resolution No. 80847 C.M.S. authorized the purchase and implementation of the Computerized Maintenance Management System, Cityworks, for PWA from VESTRA Resources, Inc. ("VESTRA"), following a competitive Request for Proposals process. VESTRA served as the prime consultant, with Networkfleet, Inc., as a supplier providing AVL units and data services.

There are two main components to the Cityworks system: (1) tracking service requests from the public, as well as internal customers, and (2) tracking work orders performed by staff, which may or may not originate from service requests.

Phase 1 of implementation was completed in March 2009 and included tree services, illegal dumping removal, drainage and East Oakland park maintenance. Phase 2 of implementation was completed in November and December 2009 and included park maintenance, graffiti abatement, sewers, streets and sidewalks, traffic signals and street lights, street signs and striping and building maintenance. The software implementation was thus completed. In addition, the project implementation included the installation of 125 automated vehicle locator (AVL) units in PWA vehicles such that staff may readily identify the location of these vehicles for day-to-day operational efficiencies as well as for emergency response.

The AVL units have provided significant value to day-to-day operations. Various supervisors representing a cross section of PWA have requested to purchase and use additional AVL units on other vehicles that currently do not have AVL. Staff has written this report and proposed resolution seeking City Council authority to make these purchases and to continue to pay for monthly data services on those units that are currently installed.

## **KEY ISSUES AND IMPACTS**

AVL units are sold by a number of companies. Each is proprietary in that the data provided through the AVL unit can only be provided by the company from which one purchased the unit. AVL units are typically sold by the unit for a one-time cost and the data services associated with the unit are provided at a monthly fee.

PWA has 125 vehicles currently equipped with Networkfleet, Inc. AVL units. Networkfleet, Inc. provides extensive services including:

- On-board diagnostics that benefit the Equipment Services Division in maintaining the City's fleet, including integration with AssetWorks, the City's Fleet Management System
- Global Positioning System (GPS) tracking with 2 minute intervals, including date, time, maximum speed, location, odometer, etc. and geofencing capabilities
- Standard reporting, including excess speeds, idle time, geo-fencing, begin/end of day, fuel usage, fuel efficiency, etc.

The proposed resolution authorizes the purchase of future AVL units for up to five (5) years from Networkfleet, Inc. at a cost of \$375 per unit. In addition, the proposed resolution authorizes the payment of a monthly fee associated with each AVL unit at a cost of \$24.95 per unit, per month to Networkfleet, Inc. for on-going data services.

Oakland Municipal Code sections 2.04.050.A and E require advertising and the solicitation for bids for products and incidental services related to the products, and award, if made, to the lowest responsive, responsible bidder. PWA currently has 125 vehicles equipped with Networkfleet AVL units. It would be most efficient and cost effective to forego advertising and bidding for the purchase of additional AVL units for more vehicles because it would minimize administrative costs and the burden on staff to manage multiple companies and result in more consistency in the operation and use of the AVL units. In addition, as described above, data services provided for each AVL unit is only provided by the company from which the AVL unit was purchased. Therefore, conducting an advertising and bidding process for additional AVL units is not practicable or in the City's best interest in this circumstance.

## **SUSTAINABLE OPPORTUNITIES**

### ***Economic:***

The purchase and use of AVL units improves the efficiency and effectiveness in which PWA crews are deployed. These benefits translate to better management of the City's infrastructure.

### ***Environmental:***

The use of Networkfleet AVL provides data and reporting related to the fuel usage and fuel efficiency of each vehicle. This data can be used to improve the City's fleet usage.

### ***Social Equity:***

Council action approving the attached resolution is not expected to generate any social equity opportunities.


**DISABILITY AND SENIOR CITIZEN ACCESS**

Council action approving the attached resolution is not expected to improve upon disability and senior citizen access.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends the approval of a resolution waiving advertising and bidding requirements for the purchase and mounting of AVL units and monthly data services associated with each AVL unit from Networkfleet, Inc.

Respectfully submitted,

  
\_\_\_\_\_  
Vitaly B. Troyan, P.E., Interim Director  
Public Works Agency

Prepared by:  
Stephanie Hom, Agency Administrative Manager

APPROVED AND FORWARDED TO THE  
FINANCE AND MANAGEMENT COMMITTEE:

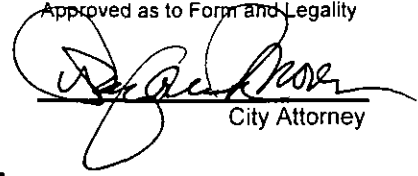
  
\_\_\_\_\_  
Office of the City Administrator

Item: \_\_\_\_\_  
Finance and Management Committee  
December 14, 2010

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

# OAKLAND CITY COUNCIL

Approved as to Form and Legality



City Attorney

2010 DEC -2 PM 12:40 RESOLUTION NO. \_\_\_\_\_ C.M.S.

Introduced by Councilmember \_\_\_\_\_

**RESOLUTION WAIVING ADVERTISING AND BIDDING REQUIREMENTS OF THE OAKLAND MUNICIPAL CODE FOR THE PURCHASE OF AUTOMATED VEHICLE LOCATORS AND INSTALLATION AND DATA SERVICES, SO THAT THE CITY ADMINISTRATOR MAY ENTER INTO A CONTRACT WITH ITS CURRENT SUPPLIER, NETWORKFLEET, INC., IN AN AMOUNT NOT TO EXCEED HIS \$100,000.00 PURCHASE AUTHORITY**

**WHEREAS**, the City of Oakland, Public Works Agency (PWA) uses Automated Vehicle Locator (AVL) technology in association with its Cityworks computerized maintenance management system; and

**WHEREAS**, the use of AVL technology has significantly improved efficiency and effectiveness in managing day-to-day operations of staff work in related to maintenance and repair of the City's physical infrastructure; and

**WHEREAS**, the AVL units and on-going data services are supplied by Networkfleet, Inc., through a City contract with another company (VESTRA RESOURCES, Inc.) that was hired to implement PWA's Cityworks program, a computerized system that PWA uses to track 1) service requests from the public and City departments, and 2) work orders performed by staff; and

**WHEREAS**, Networkfleet AVL units are currently mounted on 125 vehicles used by the Public Works Agency and each of these units provides on-board diagnostics and global positioning system information; and

**WHEREAS**, staff recommends that the City purchase additional AVL units for more vehicles over the next five years from Networkfleet, Inc., which has agreed to hold the current prices for AVL units and monthly data services for that term; and

**WHEREAS**, the City is required to advertise a solicitation for bids for products and incidental services related to the products, and if an award is made, City must award to the lowest, responsive, responsible bidder (Oakland Municipal Code §§ 2.04.050.A and E); but, the City Council may dispense with advertising and bidding upon a finding that it is in the "best interests of the City" to do so (Oakland Municipal Code § 2.04.050.1.5); and

**WHEREAS**, staff recommends that it is in the City's best interests to forego advertising and bidding for the purchase of additional AVL units for more vehicles, because it will minimize administrative costs and the burden of managing multiple companies and result in more consistency in the operation and use of the AVL units; and

**WHEREAS**, the City Administrator will enter into a five-year contract with Networkfleet, Inc., for the purchase of additional AVL units and data services in an amount not-to-exceed \$100,000.00, which is within the City Administrator's purchasing authority, if the advertising and bidding waiver is authorized; now, therefore, be it

**RESOLVED:** That pursuant to Oakland Municipal Code Section 2.04.050.A the City Council finds that it is in the best interests of the City to waive the advertising and bidding requirements of the Oakland Municipal Code for the purchase of Automated Vehicle Locator units and installation and data services based on the reasons cited above and in the City Administrator's report accompanying this Resolution, and so waives the requirements, so that the City Administrator may enter into a five-year contract for the purchase of additional Automated Vehicle Locator units and related installation and data services with its current supplier, Networkfleet, Inc., in an amount not-to-exceed the City Administrator's purchasing authority, which is \$100,000.00; and be it

**FURTHER RESOLVED:** That the contract shall be reviewed and approved by the City Attorney for form and legality and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 20\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_  
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California