



Item Number: {{item.number}}

CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: September 24, 2024

TO: Mark Washington, City Manager

COMMITTEE: Fiscal Committee

LIAISON: Molly Clarin, Chief Financial Officer

FROM: Molly Clarin, Chief Financial Officer
Purchasing

SUBJECT: **Bid List Resolution for September 24, 2024**

The Bid List Resolution for September 24, 2024 (attached) includes the recommendation for the award of 9 items for City Commission's review and approval. Following is information regarding the bid list recommendations:

- | | | |
|--------------------------|--|------------------------|
| | | Contract Extension |
| 1. <u>Boss Solutions</u> | <u>(One-Call Ticket Mgmt Solution)</u> | <u>NTE \$13,500.00</u> |
- On October 26, 2021 Proceeding No. 91176, the City Commission approved an extension for a one-year term contract with two, one-year renewal options for the purchase, installation and implementation of a web-based one call ticket handling solution for underground damage prevention for the Water Department, Environmental Services Department, Street Lighting and Mobile GR from Boss Solutions for an annual "not-to-exceed" amount of \$13,500.00.

The departments have been extremely satisfied with the SaaS (software as a solution) provided by Boss Solutions. The underground utility damage prevention one call ticket handling solution includes advanced capabilities for GIS mapping and advanced ticket management that will make it very easy for users to manage digs requested. The City receives 25GB of data capacity for attachments, and up to 45,000 ticket requests included in the annual amount. The mobile apps for IOS and Android allows for remote access and the ability to upload pictures and videos. Reporting capabilities include comprehensive standard reports and charges and customizable widgets that allow a dashboard that can be modified.

At this time, it is recommended to extend the Contract with Boss Solutions for continued maintenance and support for an additional one-year term, at the existing terms, conditions, requirements, and unit costs, for the "not-to-exceed" annual amount of \$13,500.00; there is no bid tabulation for this item.

Services will be funded by the Water Department through the Water Supply Fund,

Environmental Services Department through the Sewage Disposal Fund, Street Lighting through the Major Streets Fund, and Traffic Safety through the General Operating Fund.

A Contract Amendment will be prepared for the Mayor's signature in a form to be approved by the City Attorney.

2. Fredrickson Supply (Rental of Refuse Trucks, "As-Needed") NTE \$200,000.00
Only bid received is recommended for a one-year term contract with two, one-year renewal options for the "as needed" rental of refuse trucks for the Public Works Department from Fredrickson Supply for the annual "not-to-exceed" amount of \$200,000.00; the three-year estimated total is \$600,000.00.

Rentals provided under this Contract will be funded by Public Works through the Refuse Collection and Disposal Fund. An initial Invitation to Bid was issued to 80 vendors, with only a single response received (bid tabulation attached); the single response from Fredrickson was opened and accepted, as they have been providing these services to the City for the past 3+ years, and were the only respondent to the previous competitive solicitation. Further attempts at competition are not expected to provide any additional value to the City (bid tabulation attached).

Rental of the trucks will allow for quickly supplementing the City's existing fleet to meet seasonal demand, such as during spring and fall high-demand times for yard waste and cleanups. Depending on needs and current fleet capacities, rentals could be weekly, monthly, or annually. Trucks provided are similar to the existing fleet (reducing training and familiarity), and will be model year 2020 or newer depending on availability.

A Contract will be prepared for the Mayor's signature in a form to be approved by the City Attorney.

3. Bond Fluidaire Inc
Ferguson Enterprises (Hose & Fittings, Various, Sewer) NTE \$30,000.00
Lowest bid and best bids are recommended for one-year term contracts with two, one-year renewal options for the "as needed" purchase and delivery of various hoses and fittings for the Environmental Services Department from Bond Fluidaire for Sections I, II, & III for the annual "not-to-exceed" amount of \$15,000.00 (estimated three-year total amount of \$45,000.00); and from Ferguson Enterprises (dba Ferguson Waterworks) for Sections II & IV for the annual "not-to-exceed" amount of \$15,000.00 (estimated three-year total amount of \$45,000.00).

Purchases for these items will be funded by the Environmental Service Department through the Sewage Disposal Fund. Invitations to Bid were issued to 86 companies; 2 responses were received (bid tabulation attached). The award is based on the lowest and best bid that met all bid requirements and specifications; section II was awarded to both vendors based off the fluctuation in aluminum unit costs for year 1

& 2. The Regional Bid Discount for each company was applied for analysis, but it did not factor into the award.

The sewer hoses are utilized for maintaining a secure, leak-free connection between the hose and the waste outlet; they also ensure that waste is properly channeled away, preventing spills and contamination. These fittings come in various sizes and types to accommodate different hose diameters and outlet configuration, making them a crucial component for efficient waste management.

Contracts will be prepared for the Mayor's signature in a form to be approved by the City Attorney.

4. United Diagnostic Services (Cancer Screening Services) NTE \$51,600.00
Low bid is recommended for a one-year term contract for the "as needed" services of cancer screenings for the Fire Department from United Diagnostic services for the annual "not-to-exceed" amount of \$51,600.00.

Services will be funded by the Assistance to Firefighter Grant (AFG). Invitations to Bid were issued to 205 companies; 2 responses were received (bid tabulation attached). The award is based on the lowest met all bid requirements and specifications. The Regional Bid Discount for each company was applied for analysis, but it did not factor into the award.

The cancer screening will be performed on firefighting staff, and involves testing individuals for specific types of cancer before symptoms appear; early detection through cancer screening services is crucial for improving survival rates and reducing the burden of the disease on individuals.

A Contract will be prepared for the Mayor's signature in a form to be approved by the City Attorney.

5. Elan Financial Services (Commercial Charge Card and Account Svcs)
On July 26, 2022 Proceeding No. 91885, the City Commission approved an agreement with Elan Financial Services for purposes of retaining Elan as the provider for the City of Grand Rapids' (the "City") commercial charge card and account services.

Recently, the Comptroller's Office met with representatives of Macatawa Bank and Elan to review the charge card program, including services and data related to the rebate portion of the program. During the review, it was found that the overall use of charge cards have performed as expected, but the rebate portion was less than anticipated due to unexpected limitations contained within the agreement.

The analysis of the current rebate period (10/2023 to 09/2024) concluded the City was not on track to meet the current minimum tier of \$1,000,000 annual spend volume; additionally, the City was made aware of Discount Interchange Rate

Percentage (DIRP) transactions that effected the annual rebate. Certain retailers are charged a percentage when a customer uses a credit card as their method of payment. Interchange fees are a portion of the merchant discount rate (MDR) that a business pays to a credit card issuer when a customer uses a debit or credit card to make a purchase. Interchanges fees are typically between 0.3% and 3% of the total transaction cost. Historically, most of Elan's clients see an average of 30 percent in DIRP transactions annually. As for the City, DIRP transactions made up approximately 50 percent of our annual spend. Elan has proposed to increase the DIRP volume from 50 standard basis points to 70 standard basis points to ensure we meet the minimum requirement each year.

After further discussion and negotiation, Elan has agreed to modify the annual rebate program to better serve the City's interests. It is recommended to cancel the existing agreement, and enter into a new three-year agreement with Elan Financial Services for continued commercial charge card and account services at no annual fee, with an updated rebate schedule. The updated rebate schedule adds a \$500,000 minimum tier (the previous minimum tier was \$1,000,000) to the standard basis point grid. This \$500,000 tier was added to provide the City with additional opportunity to qualify for the annual rebate. The new minimum tier is expected to provide an annual rebate of \$15,000 or more depending on spend.

Elan's One Card program will continue to work seamlessly for cardholders under the new rebate structure. The program is a web-based solution to manage and track the way the City spends money. Online, interactive reports allow users to view the information in high-level spending summaries, or by individual transactions. Some of the efficiencies and conveniences gained throughout the last 2 years include the following:

- Ability to easily schedule future temporary settings to increase spending limits and/or expand allowable merchant codes for a fixed period of time;
- Ability for cardholders to utilize phone app to access account approvals or denials, thereby reducing administrative oversight;
- Ability for key stakeholders to access monthly statements for departments; and
- Ability for cardholders to attach receipts directly to purchase (when done via the app) thereby reducing month-end administrative processing.

A Contract will be prepared for the Mayor's signature in a form to be approved by the City Attorney.

6. Halt Fire, Inc. (Fire Apparatus, Aerial Platform) NTE \$2,123,133.00
A cooperative purchase through Sourcewell contract #113021-OKC is recommended for the purchase of an Original Equipment Manufacturer (O.E.M.) Pierce 100' aerial truck apparatus for the Fire Department from Halt Fire, Inc. for the not to exceed

amount of \$2,123,133.00.

As a planned purchase from our asset management plan, coordinated with Fleet Services, the Grand Rapids Fire Department is purchasing an aerial fire truck. This purchase will be funded through the Motor Equipment Capital Fund; there is no bid tabulation for this item. Sourcewell is a national purchasing cooperative that competitively solicit master contracts that are accessible nationally to government, education, and nonprofit organizations.

The Grand Rapids Fire Department (GRFD) currently operates four frontline aerial trucks, all manufactured by Pierce, and three reserve aerial trucks from three different manufacturers; additionally, GRFD has three rescue engines also manufactured by Pierce. The aim of fire fleet services is standardization, which will enhance emergency response readiness and achieve maintenance efficiency through coordinated parts and services and fiscal responsibility; purchasing this stock unit #42508 Pierce Enforcer assist with meeting that standardization level. As the aerial unit is a stock unit currently being manufactured, the estimated 52-month build time to delivery for a custom unit is greatly reduced.

The Pierce aerial truck is built with a specific wheelbase and turning geometry, is crucial for operations at the Bridge Street station and other areas in Grand Rapids where roadway geometry is constrained. GRFD's Emergency Vehicle Technicians (EVTs) have tested various aerial platform options and determined that Pierce is the optimal manufacturer due to its unique offerings and suitable turning geometry, including Pierce's proprietary rear steer platform and the shortest rear axle overhang, greatly reducing the chance of damaging facilities during operational responses.

- (Wonderware Software
7. Q-Mation, Inc. Licenses, Support & Maintenance \$52,657.00
- Original Equipment Manufacturer (O.E.M.) authorized provider is recommended for a one-year term contract, with two, one-year renewal options for annual support and maintenance of the Wonderware customer-first agreement standard level software and licenses from Q-Mation Inc. for the Environmental Services Department for the first-year annual amount of \$52,657.00. Subsequent renewals will be executed at the pricing received from Q-Mation for each renewal period; at this time the estimated three-year amount is \$157,971.00.

This O.E.M. software allows for increased operational efficiencies through remote measuring and monitoring of automated processes and controls of various equipment. This is required to maintain the Combined Water/Wastewater SCADA systems.

This purchase will be funded by the Environmental Services Department through the Sewage Disposal Fund and the Water Fund. There is no bid tabulation for this item.

8. Lunghamer Ford of Owosso (Fleet Vehicles, Ford Mavericks) \$809,720.00

A cooperative purchase through the State of Michigan MiDEAL Contract #071B7700180 is recommended for the purchase of twenty-six (26) 2025 Ford Maverick Super Crew AWD Hybrid vehicles for the Fleet Management Department from Lunghamer Ford of Owosso for the total amount of \$809,720.00.

This purchase will be funded by the Fleet Management Department through the Motor Equipment Capital Fund; there is no bid tabulation for this item. MiDEAL is an extended purchasing program which allows local units of government in Michigan to use State contracts for various goods and services.

Twelve of the electric hybrid vehicles are FY25 planned replacements of existing gasoline-powered fleet vehicles that will be utilized by the Building Inspections Department during field work and inspections; one of the vehicles is a FY25 planned vehicles that will be utilized by the Engineering Department; seven of the vehicles are planned FY25 replacements for Code Compliance; three of the vehicles are planned FY25 replacements for Fire; two of the vehicles are planned FY25 replacements for Refuse and Recycling; and one of the vehicles is a planned FY25 replacement for Water Engineering.

9. Lunghamer Ford of Owosso (Fleet Vehicles, Ford Escape) \$374,748.00

A cooperative purchase through the State of Michigan MiDEAL Contract #071B7700180 is recommended for the purchase of eleven (11) 2025 Ford Escape AWD Hybrid vehicles for the Fleet Management Department from Lunghamer Ford of Owosso for the total amount of \$374,748.00.

This purchase will be funded by the Fleet Management Department through the Motor Equipment Capital Fund; there is no bid tabulation for this item. MiDEAL is an extended purchasing program which allows local units of government in Michigan to use State contracts for various goods and services.

The hybrid vehicles are FY25 planned replacements of existing gasoline-powered fleet vehicles that will be utilized by the Police Department – Detective Unit.

Your FISCAL COMMITTEE recommends the adoption of the following bid List Resolution for September 24, 2024.

WHEREAS, the Fiscal Committee has considered the attached bids; therefore

RESOLVED that contracts be prepared between the City and the following vendors, and that the Mayor be authorized to sign the contracts on behalf of the City, as follows, in a form to be approved by the City Attorney:

1. Boss Solutions

One-year contract extension with Boss Solutions for continued maintenance and support of the underground utility damage prevention one call ticket handling solution for the “not-to-exceed” annual amount of \$13,500.00.

2. Fredrickson Supply

One-year term contract with two, one-year renewal options for the “as needed” rental of refuse trucks for the Public Works Department from Fredrickson Supply for the annual “not-to-exceed” amount of \$200,000.00; the three-year estimated total is \$600,000.00.

Bond Fluidaire

3. Fredrickson Supply

One-year term contracts with two, one-year renewal options for the “as needed” purchase and delivery of various hoses and fittings for the Environmental Services Department from Bond Fluidaire for Sections I, II, & III for the annual “not-to-exceed” amount of \$15,000.00 (estimated three-year total amount of \$45,000.00); and from Ferguson Enterprises (dba Ferguson Waterworks) for Sections II & IV for the annual “not-to-exceed” amount of \$15,000.00 (estimated three-year total amount of \$45,000.00).

4. United Diagnostic Services

One-year term contract for the “as needed” services of cancer screenings for the Fire Department from United Diagnostic services for the annual “not-to-exceed” amount of \$51,600.00.

5. Elan Financial Services

Three-year agreement with Elan Financial Services for continued commercial charge card and account services for Citywide use, at no annual fee with an updated rebate schedule, estimated to provide an annual rebate to the City of \$15,000 (spend dependent).

FURTHER RESOLVED that the Purchasing Agent be authorized to proceed with awards to the following vendors:

6. Halt Fire

Cooperative purchase through Sourcewell contract #113021-OKC for the purchase of an Original Equipment Manufacturer (O.E.M.) Pierce 100' aerial truck apparatus for the Fire Department from Halt Fire, Inc. for the not to exceed amount of \$2,123,133.00.

7. Q-Mation, Inc.

One-year term contract, with two, one-year renewal options for annual support and maintenance of the Wonderware customer-first agreement standard level software and licenses from Q-Mation Inc. for the Environmental Services Department for the first-year annual amount of \$52,657.00.

8. Lunghamer Ford of Owosso

Cooperative purchase through the State of Michigan MiDEAL Contract #071B7700180 is recommended for the purchase of twenty-six (26) 2025 Ford Maverick Super Crew AWD Hybrid vehicles for the Fleet Management Department from Lunghamer Ford of Owosso for the total amount of \$809,720.00.

9. Lunghamer Ford of Owosso

Cooperative purchase through the State of Michigan MiDEAL Contract #071B7700180 is recommended for the purchase of eleven (11) 2025 Ford Escape AWD Hybrid vehicles for the Fleet Management Department from Lunghamer Ford of Owosso for the total amount of \$374,748.00.

CORRECT IN FORM


DEPARTMENT OF LAW