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TO: Mayor and Council

FROM: Howard S. Lazarus, City Administrator

CC: Tom Crawford, CFO  
Derek Delacourt, Community Services Area Administrator  
Craig Hupy, Public Services Area Administrator  
Brett Lenart, Planning Manager  
Cresson Sloten, Systems Planning Manager  
Ellen Taylor, Assistant Fire Chief

SUBJECT: Council Agenda Responses

DATE: 5/15/17

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**CA-9 – Resolution to Approve a Professional Services Agreement with Giffels-Webster for Sign Ordinance Consulting Services (\$60,025.00)**

**Question:** Given that we significantly revised the sign ordinance in 2013, what are the issues that an update would address and what are we trying to accomplish in the update? (Councilmember Lumm)

**Response:** The 2013 sign ordinance amendment only addressed electronic signs and billboards and some minor technical revisions. The present sign ordinance is a collection of similar ad hoc amendments dating back to the 1970s that some residents and businesses now find difficult to navigate. A review of the sign ordinance in its entirety is warranted in light of current best practices to ensure that the ordinance clearly and appropriately reflects current community desires.

**CA-13 - Resolution to Approve Purchase of Extreme Network Equipment, Professional Services, and Maintenance and Support from AmeriNet (\$394,943.90) under Regional Educational Media Center (REMC) Agreement Number 14627**

**Question:** When will the new city fiber network be operational and are there any additional contracts or spending necessary beyond this \$394K and what is on the agenda for tonight to make it happen? Also, what is the Regional Educational Media Center (REMC) and how much is the discount realized by purchasing through REMC? (Councilmember Lumm)

**Response:** The City fiber network is planned to be operational by the end of August. Unless there is a significant event or issues with the current construction, there are no additional associated contracts. To support the on-going operation of the network, an RFP for scheduled maintenance (planned phase 3 of the project) of the fiber network after the construction has been completed will be issued. Staff anticipates responses to come in between \$50,000 to \$100,000, and this maintenance will partially be funded by customers of the new fiber network. The RFP for maintenance is currently being developed and will be published in the coming weeks.

REMC is an educational purchasing volume contract that has been around since 1990 and municipalities are eligible to purchase off this contract that provides the best possible pricing in some cases. If the vendor could provide better pricing than REMC they would have. REMC pricing was \$43,333 less expensive compared to another government purchasing contract called PEPPM. See below:

	<b>Amerinet</b>	<b>PEPPM</b>
X670	\$ 42,504.00	\$ 47,912.00
X450-48p	\$ 11,871.00	\$ 12,264.00
X450-24p	\$ 46,740.00	\$ 48,280.00
40GB ER4 QSFP+	\$ 112,776.00	\$ 148,768.00
<b>Total</b>	<b>\$ 213,891.00</b>	<b>\$ 257,224.00</b>

Below is some more information about REMC:

**Purchasing Authority**

The legislation that established REMCs (*Michigan Compiled Laws Act 451 Section 380.671*), and State Board of Education Rules, enable REMCs to bid on behalf of local school districts and also provide local school districts with the authority to purchase using REMC contracts. All items and vendors are awarded through a sealed bid process by the REMC SAVE Bid Project and approved by the REMC Association.

**Eligible Agencies**

The following agencies are eligible to purchase using the REMC SAVE Bid Project contracts:

- PreK-12 Public, Charter (PSA) and Non-Public Schools
- Community Colleges, Universities and Colleges
- Public Libraries
- Museums

- State, County, and Local Government Agencies
- Educational Non-profit Organizations
- Health Care Facilities

**CA-14 - Resolution to Approve Purchase of a Palo Alto Firewall from Amerinet (\$124,580.00)**

**Question:** The recommendation is to purchase this Palo Alto firewall from AmeriNet. Reading the cover memo, it does not sound like AmeriNet is a sole source seller of this specific firewall and that we did not bid out the purchase, but that AmeriNets price is “below GSA schedule 70 rates”. What is GAS schedule 70 and assuming we could have bid this out, can you please provide a bit more rationale for the purchase from AmeriNet (rather than bidding it out)? (Councilmember Lumm)

**Response:** This is a “Best Source” not a “Sole Source” purchase. *GSA Schedule 70 is a government purchasing contract that delivers federal, state, and local customer agencies the tools and expertise needed to shorten procurement cycles, ensure compliance, and obtain the best value for innovative technology products, services and solutions.* In this case the vendor price is \$39,418.18 less expensive than the GSA pricing. See below:

		<b>GSA Schedule 70</b>	<b>Amerinet</b>
PAN-PA-5220-AC	Modell 5220 Firewalls	\$ 94,206.54	\$ 63,000.00
PAN-PA-5220-TP-HA2	Threat Prevention subscription	\$ 13,188.92	\$ 11,200.00
PAN-PA-5220-URL4-HA2	URL filtering subscription	\$ 13,188.92	\$ 11,200.00
PAN-PA-5220-WF-HA2	Wildfire subscription	\$ 13,188.92	\$ 11,200.00
PAN-SVC-PREM-5220	Premium support	\$ 15,572.80	\$ 15,200.00
PAN-SFP-PLUS-SR	Interface	\$ 5,652.08	\$ 3,780.00
	<b>Total</b>	<b>\$ 154,998.18</b>	<b>\$ 115,580.00</b>

In addition to the pricing above, Washtenaw County also had a need to replace their firewall and did research on other products and determined Palo Alto was the best fit for their needs. An independent consultant for Washtenaw County rated the Palo Alto firewall as a market leading product. Having the same product allows the city and the county to collaborate on technical knowledge and support that will result in a future cost savings and efficiencies. In addition, vendor support is local.

**CA-19 - Resolution to Approve a Services Agreement with Advanced Disposal Services Solid Waste Midwest, LLC for Solid Waste Transfer, Transport, and Disposal Services (Estimated at \$1,722,850 for FY18; \$1,752,204.00 for FY19; \$1,782,149.00 for FY20; \$1,812,093.00 for FY21; \$1,842,742.00 for FY22)**

**Question:** The cover memo indicates there were three responses to the RFP (Advanced Disposal, Republic, and Waste Management) and that Advanced Disposal is recommended, but the prices and costs of the three responses aren’t provided or referenced – can you please provide. Recognizing this is a unit price contract, and if Advanced Disposal rates and estimated cost were not the lowest, please proved the

rationale for recommending Advanced Disposal rather than the low bidder?  
(Councilmember Lumm)

**Response:** Advanced Disposal's costs were the lowest of the three proposers. See the below price summary.

	<u>Advanced Disposal</u>	<u>Republic</u>	<u>Waste Management</u>
All Services/Materials (First Year Estimated)	\$1,722,850	\$2,433,474	\$2,116,036

**Question:** How do the estimated costs of this new contract (at roughly \$1.8M a year) compare with what the City is now paying for the services covered? (Councilmember Lumm)

**Response:** The costs for services included in this contract are less than the costs paid under current contracts. However, with regard to costs within the entire Solid Waste Fund the contract costs that are currently being negotiated for MRF operations reflect increased costs compared to the budget for recycling. In addition, the compost operations contract will be expiring in January 2018 so costs associated with that program are subject to change in near future.

#### **CA-22 - Resolution to Amend Ann Arbor Fire Services Display Fireworks Policy**

**Question:** The notification requirement is a good add, but I'm wondering if "adjacent" literally means the properties immediately bordering where the fireworks will be or does it mean something more (e.g within XX feet), and if it means something more, should that stated in the policy? (Councilmember Lumm)

**Response:** The intent of the 'adjacent' verbiage is to include any property immediately next to on either side, in front of, or behind the site (parcel) holding the fireworks display. Generally, this would include any parcel next to, abutting to the perimeter boundaries of the parcel and immediately across the street from the location holding the event. The Fire Marshal would have the right to require additional notifications if deemed necessary.