

MEMORANDUM

April 18, 2011

TO:

Board of Mayor and Aldermen

FROM:

Eric Stuckey, City Administrator

Mark Hilty, Water Management Director

RE:

Consideration of sole-source purchase from Cues, Inc. of Orlando, Florida in the total amount of \$36,156 for parts, supplies, training, support and labor necessary to license, install and upgrade the Granite XP Data Acquisition System for the Wastewater

Collection Division of the Water Management Department. (\$36,700.00 budgeted in 431-

83550-52212 for fiscal year 2011)

Purpose:

The purpose of this procurement is to upgrade the Wastewater Collection Sewer Inspection Camera Truck software.

Background:

The software is necessary to operate the closed circuit television, sanitary sewer inspection equipment to accurately locate sanitary sewer service lines and assess the condition of sanitary sewer mains throughout the City of Franklin's sanitary sewer collection system. The sanitary sewer inspection equipment is operated from the Water Management Department's Sewer TV truck (see photograph, attached). The Water Management Department Wastewater Collection Division's budget allocates \$36,700.00 out of the Wastewater Collection Fund for replacement and upgrading of the Cues Inc. software and hardware.

Financial Impact:

Upgrades to the existing equipment must be undertaken with software, parts and supplies that are compatible with the existing equipment, and inasmuch as the upgrade and installation must be undertaken by the manufacturer in order for the parts and labor to be covered by warranty, this is a sole source Purchase. The quoted pricing for the upgrades, including parts, supplies, training, support, labor and expenses equals \$36,156 (see March 28, 2011 quote attached), an amount that is \$544 (1.5%) under budget. The vendor, Cues, Inc. has confirmed in writing that the quoted pricing represents the lowest unit pricing possible at this time and in the foreseeable future for the indicated products (see vendor's sole-source statement, attached).

Recommendation:

It is recommended that the City accept the pricing quoted by Cues, Inc. of Orlando, Florida and approve the sole source purchase in the total amount of \$36,156 for parts, supplies, training, support, labor and expenses necessary to upgrade the Granite XP Data Acquisition System for the Wastewater Collection Division's sanitary sewer inspection Camera Truck of the Water Management Department. Purchasing Manager Brian Wilcox is of the opinion that this proposed sole-source purchase appears to be justified.

2003 FORD 158 CUES SEWER TV TRUCK – SUPER DUTY CUTAWAY SEWER COLLECTION TAG #GW-2243

UNIT #36 VIN # 1FDXE45F63HB77450 COST: \$164,500.00



Quote Acknowledgement Quote # 000439138 Rev # 1

Cues, Inc. 3600 Rio Vista Avenue Orlando, FL 32805 (407) 849-0190

Order Date Ship Location 28-Mar-2011 CENTRAL

Customer PO # OUOTE

Bill To Customer # Ship To Customer # Phone Number 37064000

37064001

Ship To Address

615-794-4554

Contact : RAYMOND

Bill To Address FRANKLIN, CITY OF ATTN: PURCHASING DEPT. P.O. BOX 295 FRANKLIN, TN 37065

FRANKLIN, CITY OF 405 HILLSBORO WATER & SEWER DEPT. FRANKLIN, TN 37064

Requested By : KARENA Salesman : Terms: 01 Ship Via: 00 FOB: 00

LN	Part #	Description	Qtу	Unit Price	Ext Price
001	GX525	SOFTWARE, ESRI GIS MODULE GXP	1	9600.00	9600.00
002		ADVANCED TRAINING FOR DATA COLLECT (WEBEX)	2	1500.00	3000.00
003	GX520	SOFTWARE, ENHANCED SUPPORT PLAN ENGINEERING, SOFTWARE SUPPORT	2	1800.00	3600.00
004		GRANIT UPGRADE CHARGE FEE	1	2500.00	2500.00
005	GX985	KIT, GRANITE XP ENTERPRISE V4 GX551	1	6800.00	6800.00
006	GX987	KIT, GRANITE XP ENGINEERING V4 GX553	1	556.00	556.00
007	GX960	KIT, GRANITE XP HANSEN SEWER MODULE	1	5960.00	5960.00
800	GX545	SOFTWARE, SCORING MODULE INSPECTION	1.	2360.00	2360.00
009	GX534	SOFTWARE, SCHEDULER MODULE GXP	1	480.00	480.00
010	8800002	FIELD TRAINING (PER DAY)	2	650.00	1300.00
011	HANDLING	HANDLING CHARGES	1	0.00	0.00

PRICING PER PAUL STENZLER

Sub Total : 36156.00 Tax Total : 0.00 =========

Total: 36156.00

City of Franklin, TN

CUES Sole Source/OEM Justification

- CUES is the sole manufacturer and supplier of OEM (Original Equipment Manufacture) products/parts for the existing CUES TV equipment. Due to compatibility and warranty issues CUES recommends the purchase of OEM components and parts.
- CUES is the sole manufacturer of the ProData and Granite XP video/footage capture systems. CUES has the only in-house software support and development team. Other products in the market are 3rd party add-on programs and offer no in house support.
- The CUES LAMP system, OZII Pan and Tilt Camera, Ultra Shorty Tractor, are solely manufactured by CUES in Orlando, Florida.
- CUES maintains over nine million dollars in parts and supplies that eliminates the need to have an extensive part inventory.
- The manufacturing factory, customer support center and stockroom are located in Orlando allowing easy **same day support** for parts or repairs.
- CUES sole source pricing structure is equal to or below current best offer pricing offered via competitive bid and is valid for a minimum of one calendar year from quote date.

100% Full Circle Compatibility Note:

CUES current OZ series pan/tilt cameras, lightheads, power control units, and footage counter systems are 100% backwards compatible with existing TV equipment without modifications. This allows older equipment to operate on newer TV systems and newer equipment to operate on older systems giving your full circle compatibility.

Other manufactures may have components i.e. cameras, etc. that can be <u>modified</u> to operate on existing CUES systems, however this may require special one of a kind cables and/or modifications to the internal electronics of the camera, power control unit, etc. Any modification to the system's electronics voids the manufacturer's warranty and the lifetime loaner policy.