

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 3/26/2015

Action Requested By:
Traffic Engineering

Agenda Item Type
Resolution

Subject Matter:

KorTerra, Inc.(Sole Source) - KorWeb Services to enhance the 811 Locate requests services for the City of Huntsville.

Exact Wording for the Agenda:

"Agreement Between the City of Huntsville and KorTerra,Inc. KorWeb Services"

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

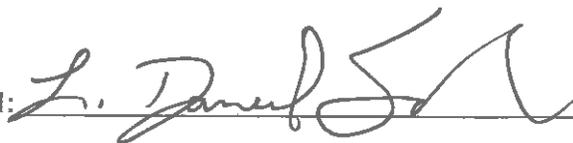
The purpose of the contract with KorTerra is to provide incoming 811 Locate requests to COH users on mobile phone + laptop + desktop and to provide incoming 811 locate requests to as many users as COH desires to make this a more efficient process for all. 811 currently only e-mails to one user per customer (utility) to disperse as they wish. this contract will benefit all COH departments that use the 811 services.

Associated Cost: 7,500.00

Budgeted Item: Yes

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head:



Date: 3/12/2015

RESOLUTION NO. 15-_____

BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor be, and he is hereby authorized to enter into an Agreement between the City of Huntsville and KorTerra, Inc., on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as "Agreement Between the City of Huntsville and KorTerra, Inc. KorWeb Services" consisting of four (4) pages and the date of March 26, 2015 appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

ADOPTED this the 26th day of March, 2015.

President of the City Council
Of the City of Huntsville,
Alabama

APPROVED this the 26th day of March, 2015.

Mayor of the City of Huntsville,
Alabama

CITY OF HUNTSVILLE
JUSTIFICATION FOR EXEMPTION FROM COMPETITIVE BIDDING
Rev 05/17/2013

DATE: March 3, 2015
FROM: Traffic Engineering
TO: Procurement Services

Title 41 Section 16 of the Code of Alabama 1975 as amended requires a competitive bid for contracts whose value exceeds \$15,000.00. Under exceptional circumstances, such contracts may be awarded without bidding. Because these circumstances are quite specific, we have a duty to justify, document, and memorialize such cases to firmly establish that a claim for exemption is in accordance with the law:

- **VENDOR: KorTerra, Inc.**
- **PRODUCT/SERVICE: KorWeb (Ticket Splitting, Mobile KorWeb, Custom Reports)**
- **ESTIMATED EXPENDITURE: \$ 0.10/Ticket, \$2,000/Year Not To Exceed \$7,500 For 3 Year Contract**

This procurement is exempt from competitive bid because it is a contract for:

1. **Sole Source:**

Services or a product having only one vendor or supplier - §41-16-51(a)(13)

2. **WPC Provision:**

Purchase of equipment, supplies, or materials needed, used, and consumed in the normal and routine operation of any waterworks system or sanitary sewer system owned by a municipality and no part of the operating expenses have been paid from revenues derived from taxes or from appropriations of the state, county, or municipality - §41-16-51(b)(7)

3. **Professional Services:**

Professional services involving an attorney, physician, architect, teacher, superintendent of construction, artist, appraiser, engineer, consultant, certified public accountant, public accountant, or other individual possessing a high degree of professional skill where the personality of the individual plays a decisive part - §41-16-51(a)(3)

4. **Impossible to Compete:**

Purchase of personal property which by its very nature is impossible to award by competitive bidding - §41-16-51(a)(13)

5. **Security or Safety:**

Services or purchase of product related to, or having an impact upon, security plans, procedures, assessments, measures, or systems, or the security or safety of persons, structures, facilities, or infrastructures - §41-16-51(a)(15)

6. **Cooperative Purchasing Program:**

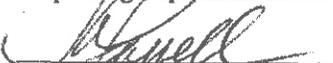
Services or purchase of a product offered through a national or regional governmental cooperative purchasing program approved by the Alabama Department of Examiners of Public Accounts §41-16-51(a) (16)

7. **Other: exempt item not specifically listed above:**

Attach requesting department justification and supporting vendor statements to this page.

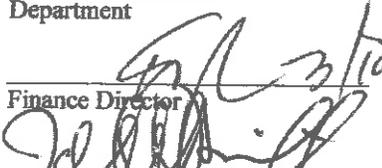

Requesting Department Head

Traffic Engineering
Department


Procurement Supervisor

Finance Director


Legal Department


Mayor or Administrator

President or Pro Tem
of the City Council of
the City of Huntsville, Alabama
Date: 03/26/2015



March 2, 2015

Melinda Mills
Office Services Supervisor
Traffic Engineering
City of Huntsville, AL

RE: KorWeb Sole Source Vendor Letter

KorTerra is the software developer and the only provider of the software. There are no resellers or distributors. While there are other software developers who provide products that offer similar functionality to KorTerra, there are none that provide the exact functionality KorTerra provides to the City of Huntsville. Further, based on our knowledge of the damage prevention software vendors, there are none which provide KorTerra's depth and functionality in as ASP model which provides the Mobile and Wireless combination that you are seeking to manage your locate requests and incident/damage investigations.

Sincerely,

A handwritten signature in black ink, appearing to read "Dale Trisko". The signature is written in a cursive, flowing style.

Dale Trisko
Controller



HUNTSVILLE

Traffic Engineering

Richard P. Kramer
Director

March 3, 2015

Jeff Fussell
Procurement Services
City of Huntsville

RE: Requesting Department Justification Statement
KorTerra (KorWeb Sole Source Vendor)

The purpose of the contract with KorTerra is to provide incoming 811 locate requests to COH users on mobile phone + laptop + desktop and to provide incoming 811 locate requests to as many users as COH desires to make this a more efficient process for all. 811 currently only e-mails to one user per customer (utility) to disperse as they wish. The value to COH is that with the mobile service we will no longer need to print tickets every day to take to the field and access can be from the field. As well, it will allow more than one user to sort through and respond to the locates. Locates require a 48 hour response time.

This contract will benefit all departments that use 811 services. Departments will be notified by Traffic Engineering after approval of the contract so that they may also take advantage of the mobile phone + laptop + desktop features.

Thanks,

Karen Brown
Traffic Operations Manager

The Star of Alabama



KorWeb Services Billing Authorization

City of Huntsville agrees to purchase KorWeb Enhanced Services from KorTerra listed below. Annual support and maintenance are included in the ticket fees listed below. Annual Ticket Volume Estimates are: **19,834**

Product/Service	Price	Minimum Usage Fee	Est. Total
KorWeb Advanced (Ticket Splitting, Mobile KorWeb, Custom Reports)	\$0.10 / Ticket	\$1,000.00 Minimum / Year	\$1,983.40
			\$1,983.40

Term

The term of this Agreement shall be for an initial period of thirty-six (36) months from the execution date of this Agreement. Thereafter, this Agreement shall automatically renew for additional thirty-six (36) month periods, unless either party terminates this Agreement with advance written notice at least sixty (60) days prior to the commencement of the immediately subsequent renewal period. Any attempt to terminate this agreement prior to the expiration will result in an early termination fee. The early termination fee shall be determined by multiplying, the number of years remaining in the term of this agreement, or any renewals thereof, by the minimum amounts listed above.

KorWeb Services will be invoiced in advance of the year term at a price of **{\$1,983.40} in Year 1** and **{\$1,983.40} annually after Year 1**. Ticket volume is based on an estimate of usage from the previous year. If the actual ticket count is over or under the estimated ticket count, then a corresponding adjustment will be made the following year.

Billing Contact Information:

Contact Name: _____	Phone #: _____
Title _____	Fax #: _____
E-mail: _____	Special Billing Instructions: _____
Street: _____	
City, State Zip: _____	

KorTerra offers its clients a no-risk guarantee. The Client may terminate the KorWeb Services at any time within the first 30 days from the date the KorWeb Services are made available to the Client without incurring any charges for the KorWeb Services.

AGREED TO:

Client: _____	KorTerra, Inc.:
By: _____	By: _____
Name: _____ (Print)	Name: Christopher D. Stendal (Print)
Title: _____	Title: President
Date: _____	Date: _____

Please e-mail a signed authorization form to sales@korterra.com or fax to KorTerra, Inc. at 952-697-3141.

Internal Use Only:

Customer ID: HUNTSVILLE Sales Rep: JPC
 New Customer: Existing Customer:
 Controller Approval: _____

ROUTING SLIP CONTRACTS AND AGREEMENTS

Originating Department: **Traffic Engineering**

Council Meeting Date: **3/26/2015**

Department Contact: **Melinda Mills**

Phone # **256-427-5563**

Contract or Agreement: **Contract with KorTerra, Inc. for KorWeb Services**

Document Name: **Agreement Between the City of Huntsville and KorTerra, Inc....**

City Obligation Amount: **\$7,500.00**

Total Project Budget:

Uncommitted Account Balance:

Account Number: **01-6400-0511-3201**

Procurement Agreements

Not Applicable	Sole Source
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Grant-Funded Agreements

Not Applicable	Grant Name:
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Department	Signature	Date
1) Originating		3-13-15
2) Legal		3-23-15
3) Finance 		3/23/15
4) Originating		
5) Copy Distribution		
a. Mayor's office (2 copies)		
b. Clerk-Treasurer (Original & 2 copies)		
c. Legal (1 copy)		