



DEPARTMENT OF PUBLIC WORKS
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To: Municipal Services Committee
From: Michael Hardy, Assistant City Traffic Engineer
Date: January 2, 2014
Re: 2014 Sole Source Purchase Request – Various Traffic Equipment & Technologies
CC: Jeffrey Fait, City Purchasing Manager

This sole source purchase request is reassessed and presented annually as required in the City procurement policy. It was last approved in 2013.

Background:

Traffic Signal and Control Equipment

The traffic signal control industry is continuing to experience a large amount of proprietary functionality and limited interoperability. The number of vendors servicing traffic signal equipment is also limited. For example, Traffic and Parking Control Company, Inc. (TAPCO), located in Elm Grove, Wisconsin, is the exclusive vendor in Wisconsin for Siemens signal cabinet and control equipment, which the City of Appleton uses. TAPCO is also the exclusive state vendor for Eberle Design Inc. (EDI) cabinet equipment, Iteris video detection systems, and other support equipment used in traffic signal control systems. Because TAPCO is designated as the exclusive rights vendor in the state by these manufacturers, they have exclusive knowledge for set-up, testing and servicing, beyond that which the City is capable of performing. There are other vendors in nearby states that carry these product lines, but their manufacturer-vendor relationships do not allow overlap with each other. Thus, the City cannot do business with Brown Traffic Products, Inc., which is TAPCO's equivalent in Illinois and Minnesota.

The next closest vendor that provides comparable products and services is a company called Traffic Control Corporation (TCC), with service currently provided out of Illinois and Minnesota. TCC's exclusive manufacturer-vendor relationship is very similar to TAPCO, with cabinets and control systems manufactured by both Econolite and Reno Traffic Products. Also, because TCC is the exclusive vendor for these product lines, they have exclusive knowledge for set-up, testing and servicing.

Due to the above circumstances, it is common in the traffic industry that complete traffic signal control assemblies are sole-source purchased as complete, functional systems. Another unfortunate reality is that each manufacturer's equipment has their own proprietary firmware and controls, which makes it nearly impossible to competitively procure comparable equipment. In this situation, TAPCO or TCC will assemble the cabinet, controller, vehicle detection equipment and any other integrated equipment, and perform functional testing prior to shipment and installation. The advantage to this approach is it helps manage compatibility issues, and puts responsibility on the sole source vendor to assure complete functionality of the system. The disadvantage is that procured equipment is not competitively bid in a formal process. The other common application in the traffic industry is that specifications are written to accept only one manufacturer's products. This gives the illusion of being competitive, but often only one vendor is able to meet the required specifications. There has been some implementation of equipment from both TAPCO and TCC, but the experiences are limited, along with the success stories. Here too, the City would need to stock significant additional equipment due to limited experience with compatibilities and functionality.

The good news is there are standards making gradual progress in the traffic control industry. The National Electrical Manufacturer's Association (NEMA) has developed standards that provide requirements for equipment interoperability. For example, the City has accepted NEMA, TS2, Type 1 specification for our traffic signal control cabinets. This provides control over how the cabinets are configured and how the control equipment is connected and integrated into the control functionality. The National Transportation Communications for Intelligent Transportation Systems (ITS) Protocol (NTCIP) is the next level of standards under development at the federal level, intended to limit the proprietary firmware and controls in the traffic industry.

Traffic Signal Preventative Maintenance

Preventative maintenance is another item that is currently sole sourced. A key component in preventative maintenance is performing a diagnostic test on a device called the Malfunction Management Unit (MMU). Performing this service is performed annually, and is common practice in the traffic signal industry to discourage legal action against the City for negligence if a signal malfunction is the suspected cause in a traffic incident. To date, the City has decided it is not in our best interest to perform this testing on our own. To replicate this service the City would have to purchase expensive test equipment, software and training. Also, since performing this service requires traffic signals to temporarily be placed into a flashing mode, this service has traditionally been scoped as night work at high traffic intersections. The most recent rate to perform the preventative maintenance scope has been \$93 per intersection. The current sole source vendor, TAPCO, has strong familiarity with our equipment since they are exclusive rights vendor in the state by the MMU manufacturer the City currently uses. Having considered this, we feel this is a reasonable cost and the best decision for the City at this time.

Decorative Street Lighting Equipment

Recent experiences have prompted the addition of decorative street lighting equipment to this sole source request. Specific items that apply are decorative lighting components involving steel poles, concrete poles, arms and fixtures. One large contributing factor is the City has standardized on a specific appearance and quality using Stresscrete, King and Visco brands products for applications across the City, most notably College Avenue and Wisconsin Avenue. While there are other decorative brands on the market simulating a comparable look, the quality of these off-brands has been much lower, leading to increased maintenance costs and decreased life. When bidding this equipment in the past, we have specified a specific product or approved equal. To meet the City purchasing policy, we have been competitively bidding these decorative lighting brands thru the electrical supply chains. It is our opinion, while this looks competitive and meets the spirit of the purchasing policy, it really amounts to a mark-up of up to 20% on a product we ultimately know we are going to purchase. Having considered the above, we feel sole source offers the best value of the City's time and resources.

LED Street Lighting

Recent experiences have prompted the addition of LED street lighting equipment to this sole source request. Specific items that apply are both standard and decorative LED street lighting fixtures. In 2010, the City authored a specification and released a bid to replace standard fixtures with LED fixture in the central business district. That experience evaluated products from eight (8) different manufacturers. As a result of that experience, we have identified products from Cooper and Philips as the preferred fixtures for future applications. To comply with the City's purchasing policy in future purchases, we would have to competitively bid these two brands thru the electrical supply chains. In our opinion, while this looks competitive and meets the spirit of the purchasing policy, it really amounts to a mark-up of up to 20% on a product we ultimately know we are going to purchase. We have established a relationship with the manufacturers and have been advised we can purchase from them directly. Where these two products are competitive with each other, we would be able to compare costs direct from the manufacturers which would meet the competitive spirit of the policy. However, three products would be needed to satisfy the policy as written. Having considered the above discussion, we feel a sole source exception offers the best value of the City's time and resources.

Camera & Video Encoders

When the traffic camera program began its deployment in 2010, Pelco brand pan-tilt-zoom cameras were procured in accordance with City Policy, where at least three quotes were received. In light of the switch to Avigilon video management software by the City in 2013 and the increase in failures of recent Pelco brand cameras, the Traffic Section has transitioned to both AXIS and Avigilon brand cameras. The AXIS brand cameras can be purchased in accordance with City Policy as they are readily available through multiply suppliers. Avigilon cameras, however, can only be purchased thru a licensed State vendor. Thus, in instances where we feel an Avigilon camera is advantageous for a specific application and software integration for the City, a sole source approval is needed to satisfy the policy as written.

Summary:

The City Traffic Section continues to pursue equipment and services to help improve competition in our purchases. We often have alternative vendors bring us equipment to familiarize with and test for compatibility. When we evaluate comparable products, we try to take a holistic approach, considering additional software, training, stocking, etc. We also stay in touch routinely with our counterparts in the traffic industry, like Wisconsin DOT, City of Green Bay, and Milwaukee County to help evaluate pricing when and where sole sourcing is performed. This, too, helps communicate between agencies on acceptance of alternative products. We also pursue alternative procurement options when available through the Wisconsin DOT procurement contract. Where equipment is consistent with Wisconsin DOT procurement contracts, a price match is pursued.

The following is the Traffic Section's current list of equipment and services we feel it is in the City's best interest to sole source for procurement:

Traffic Signal and Control Equipment

Signal Controller and Control Software:

- Siemens/Eagle (TAPCO)

Signal Control Cabinets:

- Siemens/Eagle (TAPCO)
- Econolite (TTC)

Signal Control Malfunction Management Unit:

- Eberle Design, Inc. (TAPCO)
- Reno A & E (TTC)

Loop Detector Amplifiers:

- Eberle Design, Inc. (TAPCO)
- Reno A & E (TTC)

Video Detection Systems

- Iteris, Inc. (TAPCO)
- Econolite (TTC)

Wireless Detection Systems

- MS Sedco / Intersector. (TAPCO)
- Wavetronix (TTC)

Preemption:

- Opticom (TAPCO) (TCC)
- Tomar (TAPCO)

Wireless Radio Communications:

- Encom Wireless (TAPCO)
- Intuicom (TTC)

Ethernet / Serial Communications:

- Datacom for Business, Inc. (TAPCO)

Ethernet / Fiber Communications:

- Ruggedcom Inc. (TAPCO) (TCC)

Control Cabinet Integration Set-up and Testing:

- TAPCO
- TTC

Traffic Signal Preventative Maintenance

Traffic Signal Preventative Maintenance:

- TAPCO

Decorative Street Lighting Equipment

Concrete Poles & Arms

- Stresscrete (Commercial Lighting)

Steel Poles & Arms

- Visco (Commercial Lighting)

Fixtures

- King Luminaire (Commercial Lighting)

LED Street Lighting

LED Street Light Fixtures

- Philips (Spectrum Lighting)
- Cooper Lighting (Enterprise Lighting)

Traffic Cameras

Pan-Tilt-Zoom & Fixed Zoom

- Avigilon (Lappen Security)