



THE CITY OF SAN DIEGO

REPORT TO THE CITY COUNCIL

DATE ISSUED: September 5, 2012 REPORT NO. 12-109
ATTENTION: Budget and Finance Committee Members
SUBJECT: Automated Vehicle Location/Global Positioning System (AVL/GPS Contract)

REQUESTED ACTION:

Approve a contract with Radio Satellite Integrators (RSI) to procure and implement an AVL/GPS system that will maximize fleet utilization, improve communication/safety for City employees, and improve operational efficiency and effectiveness.

STAFF RECOMMENDATION:

Forward to City Council for consideration and approval.

SUMMARY:

The Public Works Department, Fleet Services Division plans to acquire a City-wide GPS system with lease funding. The City utilizes lease purchase short-term financing to acquire essential equipment and services. The GPS project was initially included in the Master Lease Agreement approved by Council on January 11, 2011. GPS funding was scheduled for FY 2012 but implementation of the project was delayed due to competing financing priorities.

A revised GPS funding allocation was included in the FY 2013 Master Lease Agreement. The Budget and Finance Committee forwarded this Agreement on April 11, 2012 which was approved by Council on May 22, 2012.

The City's IT-BLG (IT Business Leadership Group) approved the AVL/GPS project on July 20, 2012. The evaluation determined that the project was technically feasible and consistent with City IT policies. A detailed cost/benefit analysis of the GPS project was conducted for the IT-BLG showing a positive net present value (NPV) over the first five years.

The City owns and operates a vehicle fleet of 4,050 vehicles consisting of motorcycles, parking enforcement scooters, sedans, law enforcement vehicles, light trucks/vans, medium/heavy duty trucks, fire apparatus, refuse collection trucks, street sweepers, trailers, tractors and industrial equipment. These vehicles support all City services, are assigned to several departments and primarily operate within the city and county of San Diego. The City intends to optimize its vehicle and staff resources by procuring and installing an integrated AVL/GPS system to improve vehicle utilization, employee productivity and safety.

The Police, Fire, Environmental Services and Public Utilities Departments currently operate AVL/GPS systems. These existing systems represent a variety of components, configurations, complexity and operating characteristics and are independently operated to provide specific data related to departmental requirements. Approximately 2,000 City vehicles have AVL/GPS technology, leaving approximately 1,500 vehicles that will require future installation of AVL/GPS units.

The goal of this project is to equip the majority of City vehicles supported by the General Fund with AVL/GPS technology based on current and future operational requirements. The contract will develop a system that leverages existing equipment and deploys AVL/GPS hardware on unequipped City vehicles.

The system will:

- Monitor and report real-time and historical vehicle location, heading and usage information
- Provide supervisory and management staff with vehicle usage information
- Provide vehicle operating data, including drive train diagnostics, idle time, and odometer readings
- Report and record ancillary equipment usage such as sweeper boom up/down, or police siren on/off
- Allow City vehicle drivers to transmit and receive text messages

FISCAL CONSIDERATIONS:

The agreement for GPS equipment and services shall not exceed \$2 million and will be financed by the Master Lease Agreement (O-2012-98). A FY 2013 semi-annual lease payment of \$210,000 is expected. The funding is facilitated under a master lease agreement with a lender JPMorgan Chase Bank, N. A. ("Chase") by establishing an upfront tax-exempt line of credit over an agreed upon five year acquisition period. The security for this financing agreement is a pledge to annually appropriate funds to make lease payments on a semi-annual basis. The City will own the equipment funded by Chase at the end of the repayment term. Deploying and consolidating GPS equipment should increase fleet operational efficiencies resulting in estimated annual cost savings in the range of \$300,000 to \$400,000.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

None

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Not applicable

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Radio Satellite Integrators, Inc. All City Departments utilizing GPS equipped City vehicles.



Charles A. Heinrichs
Director, Public Works



Jay M. Goldstone
Chief Operating Officer