

# REQUEST FOR PURCHASE IN EXCESS OF \$20,000/CHANGE ORDER



**To:** MAYOR AND COUNCIL

**From:** Dave Nelson, Chief of Police

**Date:** June 17, 2014

**Subject:** Request for Purchase – Shared/Hosted 9-1-1 Call Handling System Solution

**Agenda Item #:** IV. E.

**The Recommended Bid is**

Within Budget

Not Within Budget

**Date Bid Opened or Quote Received:**  
August 20, 2013

**Bid or Expiration Date:**  
June 30, 2014

**Company:**  
Independent Emergency Services, LLC

**Amount of Quote or Bid:**  
\$354,959

**Recommended Quote or Bid:**  
Independent Emergency Services, LLC

\$354,959

## General Information:

In 2012, Edina and eight other metro area PSAPs were notified that their current 9-1-1 phone systems were reaching end-of-life and would not be supported beginning in 2016. Using the ARMER radio system as a model, ten metro agencies in need of a new phone system began a collaborative effort to integrate services, share technology and reduce costs in the procurement of emergency communications services and equipment. The agencies began working with the Metropolitan Emergency Services Board and PSC Alliance Consultants to develop an RFI and RFP for a turn-key solution to replace the existing 9-1-1 Call Handling Systems.

A lengthy review by agency representatives resulted in the unanimous selection of the Cassidian Vesta Four Phone System offered by Independent Emergency Services. Evaluation criteria included proposed maintenance, five-year projected cost of ownership, system design to RFP specifications, utility assessment, user interface and audio quality. IES was determined to provide a more viable system solution in meeting the needs and requirements of the PSAPs.

In Phase One of this project, the system will be shared by the Hennepin County Sheriff's Office, Hennepin County Emergency Medical Services, City of Edina, City of Minneapolis and Allina Emergency Medical Services. Phase Two will include Carver County and Ridgeview Ambulance. Phase Three will include Ramsey County and Dakota County Communications Centers.

To date, four of the five agencies in Phase One have approved and signed the Cooperative Agreement, Ancillary Agreement and Purchase Agreement. Legal counsels for all participants have reviewed the Agreement.

The entire cost of this system (which includes five years of pre-paid maintenance) will come from the E911 Fund and is within budget.

**Attachment:**

- Purchase Agreement for a Five-Agency Consortium Shared/Hosted Next Generation 9-1-1 Call Handling System Solution

\*Exhibits are available for review in the Police Department upon request.

**PURCHASE AGREEMENT**  
for a  
**FIVE-AGENCY CONSORTIUM SHARED / HOSTED NEXT GENERATION 9-1-1 CALL  
HANDLING SYSTEM SOLUTION**

THIS AGREEMENT is made and entered into this 12<sup>th</sup> day of May, 2014 by and between Allina Health System d/b/a Allina Health Emergency Medical Services, Hennepin County, City of Edina, City of Minneapolis, and Hennepin Healthcare System, Inc. d/b/a Hennepin County Medical Center (individually, "**Buyer**" and collectively, "**Buyers**"), which own and operate individual Public Safety Answering Points ("**PSAPs**"), and the Metropolitan Emergency Services Board ("**MESB**") which will serve as Contract Manager for the Buyers, and Independent Emergency Services, LLC, a Minnesota limited liability company ("**IES**" or "**Contractor**").

**WITNESSETH:**

WHEREAS, the Buyers, along with the MESB, and other PSAP owners in the metropolitan area issued a Request for Proposals ("RFP") for a Shared/Hosted Next Generation 9-1-1 Call Handling System with an Integrated Administrative Telephone System (the "System"); and

WHEREAS, after reviewing four proposals, the Buyers selected the proposal submitted by IES as the proposal offering the best value (the "Proposal"); and

WHEREAS, the Buyers have entered into a Master Cooperative Agreement for Planning and Coordinating Delivery of Emergency Communications Services; and

WHEREAS, the Buyers have entered into an Ancillary Agreement 01 for Procurement of a Shared/Hosted 9-1-1 Call Handling System and Related Shared Wide Area Network Connectivity and Shared Data Center Usage (the "Ancillary Agreement"), that sets forth the roles and responsibilities of the Buyers and the MESB in regards to the ownership and operation of the System; and

WHEREAS, IES acknowledges the relationship of the Buyers and the MESB as set forth in the Ancillary Agreement 01, which is attached hereto as Exhibit A, and agrees to cooperate with the Buyers and the MESB in its performance of the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual undertakings and agreements hereinafter set forth, the Buyers and the MESB and Contractor agree as follows:

1. Contractor agrees to perform all the work and furnish all the equipment and the services which pertain to providing suitable shared/hosted NG9-1-1 Call Handling and Administrative Telephone Furnished Systems for the aggregate of, and individually for, five (5) PSAPs owned and operated by the Buyers and two (2) related Back-Up centers of the Metropolitan Area as provided in

the RFP dated June 28, 2013, as amended by Addendum #1 dated July 30, 2013. Section 1 of the RFP, including Contractor's responses, is attached hereto as Exhibit B. Addendum #1 is attached hereto as Exhibit C.

2. Contractor agrees that all of the terms and conditions set forth in Section 1 of the RFP, as amended by Addendum #1, are incorporated herein.
3. Contractor acknowledges that in its Proposal dated August 19, 2013, and included in Exhibit B, it accepted, and took no exceptions to, the terms and conditions set forth in the RFP, as amended by Addendum #1.
4. Contractor acknowledges the receipt of four (4) Memoranda subsequent to submission of its Proposal. Contractor submitted a response dated September 4, 2013 to Memorandum 01, a response dated October 19, 2013 to Memorandum 02, a response dated November 18, 2013 to Memorandum 03, and a response dated December 21, 2013 to Memorandum 04. Contractor's responses to Memorandums 01, 02 and 03 are attached hereto as Exhibit D. Memorandum 04 and Contractor's response to it pertained solely to pricing and are superseded by other exhibits attached hereto.
5. Contractor agrees that the responses included in Section 1 of its Proposal and the responses to Memorandums 01, 02 and 03 are incorporated herein, except to the extent modified by the Common Equipment and Pricing List attached hereto as Exhibit E, and the five (5) PSAP Equipment and Pricing Lists attached hereto as Exhibits F, G, H, I and J, and the Schedule attached hereto as Exhibit K, and as provided below.
6. Contractor agrees that the terms set forth in Exhibits E, F, G, H, I, J and K are incorporated herein.
7. Contractor agrees that all references to the Dakota Communications Center ("DCC") as the location of a Data Center in the RFP and any other exhibits attached hereto shall be replaced with "Hennepin County Government Center."
8. Contractor agrees that it shall invoice each Buyer directly for its share of the Common Equipment described in Exhibit E, and for each Buyer's individual PSAP Equipment described in Exhibits F, G, H, I and J. Contractor shall send copies of all invoices to the Contract Manager. Contractor shall invoice each Buyer for its share of the Common Equipment in accordance with the information provided by the Contract Manager as to each Buyer's ownership share. Contractor shall submit its invoices and shall be paid in accordance with Section 3.30.1 of the RFP. Buyers shall remit payment within forty-five (45) calendar days of receipt.
9. As provided in Section 3.30.1 of the RFP, partial payments will be made as follows:

- 15% upon delivery of Official Project Timeline, Project Management Plan and written Assignment of Resources subsequent to contract execution.
  - 50% upon completed installation of equipment, on a prorated basis; per Data Center and per site.
  - 10% upon completion of training and pre-cutover testing, prorated on a per site basis.
  - 15% upon Site Final Acceptance, on a prorated basis; per Data Center and per PSAP.
  - 10% upon Site Final Acceptance by the Owners, of the complete Furnished System, but in no event less than 45 calendar days following conversion of the last PSAP to the Furnished System acquired under this Agreement.
10. If payments set forth above are late, interest shall accrue at the rate of 1.5% (one and one-half percent) per month on any unpaid balance of a payment not received by the Contractor within forty-five (45) calendar days of the date that said payment is due.
  11. In the event any federal, state, or local sales or use taxes become due as a result of this Agreement, the Equipment Purchase Price shall be increased by a like amount.
  12. Upon delivery to Buyer, the risk of loss passes to Buyer and Buyer shall own the equipment. Prior thereto, the risk of loss shall be upon the Contractor. Prior to delivery to the Buyer, the Contractor shall carry sufficient insurance insuring the equipment against fire, theft and other casualty.
  13. Contractor shall provide to all of the Buyers a fully paid-up, royalty-free, non-transferable, non-exclusive license in the software, in object code form only, one copy per single CPU, required for use of the Common Equipment. Contractor shall provide to each individual Buyer a non-transferable license in the software, in object code form only, one copy per single CPU, required for use of each Buyer's individual PSAP Equipment.
  14. All notices or other communications shall be deemed effectively delivered on the date of delivery if mailed certified or registered mail, return receipt requested, upon delivery using overnight courier, or personally delivered. All notices or other communications required or permitted to be given under this Agreement shall be in writing and delivered or addressed as follows:

If to IES:  
Independent Emergency Services, LLC  
Attention: President  
235 Franklin St. SW  
Hutchinson, MN 55350

If to Allina:  
Allina PSAP Director  
Mail Route 54101  
167 Grand Avenue  
St Paul, MN 55102

If to Edina:  
Edina – PSAP Director  
4801 West 50<sup>th</sup> Street  
Edina, MN 55424

If to HEMS:  
HEMS – PSAP Director  
Red 2  
701 Park Avenue South  
Minneapolis, MN 55415

If to HCSO:  
HCSO – PSAP Director  
1245 Shenandoah Lane North  
Plymouth, MN 55447

If to MECC:  
MECC – PSAP Director  
350 South 5<sup>th</sup> Street – Rm B-911  
Minneapolis, MN 55415

With a copy of all notices and communication to:  
MESB – 9-1-1 Director  
2099 University Avenue West  
St Paul, MN 55104

15. Contractor consents to additional PSAP owners sharing in the ownership of the Common Equipment. In accordance with the RFP, Contractor agrees to permit additional PSAP owners to purchase PSAP Equipment for a five (5) year period following Final Acceptance. Pricing for PSAP Equipment shall be based on the line item pricing found in Exhibits F-J.
16. Contractor agrees to communicate and fully cooperate with the Contract Manager to resolve disputes involving the Common Equipment. Contractor agrees to communicate and fully cooperate with the Contract Manager and the respective Buyer to resolve disputes involving individual PSAP Equipment. The Contract Manager and the Buyers, individually or jointly, shall have the right to initiate or participate in mediation, arbitration, or litigation to enforce the Buyers' rights under this Agreement.

17. Contractor acknowledges that the Contract Manager will have no financial or ownership interest under this Agreement, and Contractor agrees to not hold the Contract Manager responsible for any payments due Contractor under this Agreement.
18. Contractor agrees that the Buyers will each own an indivisible share of the Common Equipment in accordance with an Ownership Percentage allocation formula agreed to by the Buyers. Each Buyer will only be responsible for its fractional share of the price for the Common Equipment and the full cost of its individual PSAP Equipment.
19. A representative for each Buyer shall review and sign the Common Equipment Price List by signing Exhibit E, and shall review and sign the individual Price List for that Buyer by signing the respective exhibit listed below.
20. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall be deemed to constitute one and the same agreement.

Exhibit List

- A. Ancillary Agreement 01
- B. Section 1 of RFP for a Shared/Hosted Next Generation 9-1-1 Call Handling System, including Contractor's Responses
- C. Addendum #1 of RFP
- D. Responses to Memorandums 01 to 03
- E. Common Equipment Price List
- F. Allina Health System d/b/a Allina Health Emergency Medical Services Price List
- G. Hennepin County Price List
- H. City of Edina Price List
- I. Hennepin Healthcare System, Inc. d/b/a Hennepin County Medical Center Price List
- J. City of Minneapolis Price List
- K. Project Schedule dated 4-29-2014

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year first above written.

(Signature pages to follow)

**SIGNATURE PAGE TO PURCHASE AGREEMENT**

**ALLINA HEALTH SYSTEM d/b/a Allina Health Emergency Medical Services**

By: \_\_\_\_\_  
Susan Heichert, SVP CIO                      Date

**SIGNATURE PAGE TO PURCHASE AGREEMENT**

**COUNTY OF HENNEPIN  
STATE OF MINNESOTA**

By: \_\_\_\_\_  
Chair of its County Board                      Date

Attest: \_\_\_\_\_  
Deputy/Clerk of its County Board      Date

Approved as to form:

\_\_\_\_\_  
Assistant County Attorney                      Date

**SIGNATURE PAGE TO PURCHASE AGREEMENT**

**CITY OF EDINA**

By: \_\_\_\_\_  
James Hovland, Mayor                      Date

By: \_\_\_\_\_  
Scott Neal, City Manager                      Date



**SIGNATURE PAGE TO PURCHASE AGREEMENT**

**HENNEPIN HEALTHCARE SYSTEM, INC. d/b/a Hennepin County Medical Center**

By: \_\_\_\_\_

Kathy Wilde

Date

Chief Nursing Officer

Interim Vice President for Professional and Support Services

**SIGNATURE PAGE TO PURCHASE AGREEMENT**

**METROPOLITAN EMERGENCY SERVICES BOARD**

By: \_\_\_\_\_  
Chair Date

**SIGNATURE PAGE TO PURCHASE AGREEMENT**

**INDEPENDENT EMERGENCY SERVICES, LLC**

By: \_\_\_\_\_ Date \_\_\_\_\_  
Cliff Woodbury, Manager