



**TO:** Board of Contracts and Awards  
**FROM:** James P. Duggan, Fire Chief ①  
Roger Edington, Assistant Chief, Fire/Admin & Technology  
**COPY:** City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and  
Richelle Krienke, Finance/Purchasing  
**SUBJECT:** Amendment to Computer Aided Dispatch System Maintenance Agreement  
Sole Source, Northrop Grumman Systems Corporation, SAP Contract No. 4600004739  
**DATE:** June 4, 2014

**SUMMARY:**

The Tacoma Fire Department (TFD) requests approval to increase contract number 4600004739 with **Northrop Grumman Systems Corporation, Chicago, Illinois**, by \$174,929.80, plus tax, for maintenance and repair services for the Fire Department's Computer Aided Dispatch System (CADS) through February 28, 2017. This increase will bring the contract to a cumulative total of \$656,085.80, plus sales tax.

**STRATEGIC POLICY PRIORITY:**

- Strengthen and support public safety, human services, public education, and diverse higher learning opportunities in Tacoma.

The proposed contract increase and extension will assist TFD to promptly and safely dispatch units to emergencies.

**BACKGROUND:**

TFD requests approval of a second amendment to the existing agreement with Northrop Grumman to extend the contract to provide CADS maintenance and repair services through February 28, 2017. The City Council originally awarded a sole source contract to Northrop Grumman in 2008 for four years of CADS maintenance and repair services. In 2012, the City Council approved an amendment extending the contract for an additional three-year period. The proposed second amendment further increases the contract by \$174,929.80, plus sales tax, to a new total of \$656,085.80, plus sales tax, and extends the term through February 28, 2017.

**ISSUE:** The proposed maintenance contract extension is expected to support TFD's existing CADS until its eventual replacement as part of a project coordinated by South Sound 911.

**ALTERNATIVES:** CADS is a mission critical proprietary custom computer application that assists dispatchers at the Fire Communications Center to triage 911 calls and inform and assign emergency responders for emergency incidents. Operating the application without maintenance support would expose the City to potential liability. The maintenance and repair services for this system can only be provided by Northrop Grumman.

**COMPETITIVE ANALYSIS:** A waiver of competitive bidding is requested due to sole source. Because CADS is a proprietary custom computer application licensed for the City's use, maintenance and repair services must be provided by Northrop Grumman, the sole provider of such services. To ensure that any maintenance and repair work performed to the application works correctly and appropriately with the existing software and hardware and to ensure that all services performed will work with any future product upgrades or improvements, the work must be performed by Northrop Grumman.



**CONTRACT HISTORY:** The City Council approved a waiver of formal bidding and approved award of a sole source CADS maintenance and repair services contract to Northrop Grumman for a four-year period, in the total initial amount of \$284,745.00, plus sales tax, by Resolution 37450, passed April 15, 2008. Subsequently, per Resolution 38472, passed April 17, 2012, the City Council approved an amendment increasing the maintenance agreement by \$196,411, plus sales tax, to extend the contract for an additional three-year period to February 28, 2015. The proposed second amendment further increases the contract by \$174,929.80, plus sales tax, to a new total of \$656,085.80, plus sales tax, and extends the service contract through February 28, 2017.

**SUSTAINABILITY:** Northrop Grumman maintains it has been focused on sustainability for years but continually emphasizes getting better and greener in all its operations. As part of its corporate sustainability policies and practices, the firm’s employees “practice sustainability at work, encourage conservation at home and support environmentally friendly businesses and initiatives.” The firm’s employees also do community outreach to encourage recycling, tree planting, beach cleaning and other activities to protect the planet. The firm’s sponsorship of ECO Classroom equips teachers to inform and inspire students to become the environmental stewards and innovators of future generations.

**RECOMMENDATION:**

The Tacoma Fire Department recommends an increase to the contract awarded to Northrup Grumman for maintenance and repair services for the Fire Department’s Computer Aided Dispatch System (CADS) through February 28, 2017.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1090 Fire Misc Special Revenue	668500	5310100	\$174,929.80
<b>TOTAL</b>			

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
<b>TOTAL</b>			



**POTENTIAL POSITION IMPACT:**

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
<b>TOTAL</b>			

*This section should only be completed if a subsequent request will be made to increase or decrease the current position count.*

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$2,525.80**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** Revenues and expenses are planned for the 2015–2016 biennium.

**IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.**

Historically, TFD used supplemental E911 tax revenues received from Pierce County as part of the agreement between the County and the various local 911 Primary System Answering Points to fund the annual expenses of the Northrop Grumman maintenance contract. Sufficient funds were received to pay the balance of the contract service for the current biennium. Those revenues are expected to continue for 2015-2016.





**City of Tacoma**  
Fire Department

**Date:** June 16, 2014

**To:** Kathy Katterhagen, Procurement and Payables Manager

**From:** James P. Duggan, Fire Chief  
Tacoma Fire Department

**Subject:** Waiver of Competitive Solicitation Request—Sole Source Purchase  
COMPUTER AIDED DISPATCH MAINTENANCE AND REPAIR EXTENSION

Please forward for Board of Contracts and Awards review and recommendation.

In accordance with Tacoma Municipal Code 1.06.257.A. (Sole Source), the Tacoma Fire Department (TFD) requests a waiver of the competitive solicitation process to increase by \$174,929.80, plus tax, to \$656,085.80, plus tax, and extend the maintenance and repair services contract for TFD's Computer Aided Dispatch System (CADS) through February 28, 2017. The sole source vendor is **Northrop Grumman Systems Corporation, Chicago, Illinois.**

**"Follow-on" Contracts:**

Is this sole source purchase based on a contract that was previously competitively bid by the City?

Yes  No

**Waiver Criteria:**

1. Is there more than one feasible supplier of the product or service in the marketplace?

Yes  No

Briefly explain.

The Northrop Grumman CADS is a proprietary custom computer application licensed to TFD so that CADS maintenance and repair services must be provided by Northrop Grumman. To ensure that any work performed to the application works correctly and to ensure that all services performed work appropriately with the current application and any future product upgrades or improvements, the work must be performed by Northrop Grumman.

2. Please support your contention it would be futile to advertise and competitively bid for the product or service as it would result in only one bid:

a. Describe the screening efforts you engaged in to identify potential suppliers.  
Include names of potential suppliers, contact person, phone numbers, or addresses.

TFD staff has repeatedly provided documentation of the proprietary nature of the CADS to City Purchasing staff since its implementation over two decades ago.

- b. Describe any technical or unique product/service attributes that prevent drafting specifications for a competitive bid to which more than one supplier could successfully respond.

Please see above.

- c. Is the product available only through one vendor? Yes  No   
If "yes", such certification should be in writing from the manufacturer (not the vendor) and supported by results of the screening process or validated by the Purchasing Division.  
Written certification attached? Yes  No

Such certifications have been provided repeatedly.

- d. What efforts were made to assure the City is receiving the lowest or best price possible?

Pricing was compared to pricing provided to other agencies using similar Northrop Grumman CADS.

Written certification from manufacturer or vendor attached (optional)? Yes  No

- e. Is this a one-time purchase? Yes  No  Total amount: \_\_\_\_\_  
If "no," estimated total dollar amount over two-year period: \$174,929.80 plus tax

Other supporting documentation attached? Yes  No

City Contact person: Roger Edington Phone: 253-591-5749

James P. Duggan, Fire Chief  
Department/Division Head (Please Print)

James P. Duggan 6/16/14  
Department/Division Head Signature Date

T.C. Broadnax 6/16/14  
T.C. Broadnax, City Manager

<b><u>Purchasing Use Only</u></b>	
Approved _____	Rejected _____
None (after the fact) _____	
Date _____	By _____

cc: Richelle Krienke, Senior Buyer, Finance/Purchasing