



# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Rejection of Proposals for Advisory Radio System

MEETING DATE: November 5, 1997

PREPARED BY: Assistant to the City Manager

**RECOMMENDED ACTION:** That Council reject the Response to the Request for Proposal for a Travelers Advisory and Emergency Notification Radio System and authorize the Assistant to the City Manager to negotiate a price for this system not to exceed \$25,000.

**BACKGROUND INFORMATION:** The primary purpose of this system is to notify the people of Lodi of emergency situations and actions they can take to avoid or ease the impact of crisis circumstances. During impending floods, power blackouts, hazardous material spills, earthquakes, or major vehicle incidents that require re-routing of traffic, this system will provide rapid and reliable information, while assuring citizens that officials are in control.

Council approved distribution of Requests for Proposals on 9/17/97. There are very few manufacturers of this highly specialized equipment in the U.S. Staff sent RFP's to the three vendors the California Department of Transportation uses to procure this type of system. The only response received on time was from Digital Recorders, Inc. (attached). Their quotation of \$58,055 is substantially higher than anticipated. However, on this quotation they state, "Value-Engineering with regard to RFP contractual specifications and guarantees/ warranties could substantially reduce this quotation".

The primary point of concern in the RFP is a requirement that in the event of failure to obtain an FCC license - Digital Recorders must reimburse the City for the full amount of the contract. As explained in the September 17 Council Communication on this subject, Digital Recorders will take every measure to ensure the temporary FCC license application is complete and accurate. The probability of denial of a permanent license after FCC awards a temporary license is extremely small. However, if this were to occur, and for some reason the City did not wish to further pursue a permanent license, Digital Recorders does not want to reimburse the City for *all* costs. They would take back and refund the price of most system components. However, they would like the City to pay the cost of installation and grounding system components which can not be returned.

I am confident I can negotiate a value-engineered price not to exceed \$25,000 for a Digital Recorders system with components identical to those described in the original RFP.

**FUNDING:** \$20,000 Federal Transit Administration funds  
\$5,000 State Transportation Development Act funds

Approved: *Vicky McAthie*  
Vicky McAthie - Finance Director

*Kirk J. Evans*  
Kirk J. Evans  
Assistant to the City Manager

APPROVED: *H. Dixon Flynn*  
H. Dixon Flynn -- City Manager

**Request For Proposal**

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**Travelers Advisory and  
Emergency Notification Radio System  
for  
The City of Lodi, California  
(Specification No. B-2819)**

**Response  
respectfully submitted  
by**

**Digital Recorders, Inc.**

**Michael P. Klatt  
September 29, 1997**

**Proposal Prepared Exclusively For  
The City of Lodi, California**

Background

Digital Recorders, Inc. (DRI) is the nation's leading HAR provider and only HAR Turnkey Manufacturer which offers a 5 Year Limited Warranty. DRI has provided TIS/HAR AM broadcast systems since 1977. DRI has provided close to 700 transmitter systems and thousands of solid-state recorder/player devices.

DRI has in-house research & development, engineering, operations & technical support, sales and customer service personnel. The Highway Information Systems group of DRI specializes in TIS/HAR projects and is but one of several groups in the transportation & transit industry that comprise DRI. DRI is fully bonded and insured, and is a publicly traded company under the NASDAQ symbol, *TBUS*.

All DRI electronic components are designed for the highest efficiency possible, therefore virtually eliminating unnecessary maintenance and heat dissipation.

System Equipment Listing:

- \* AM Transmitter - Energy Efficient Class D, 10 watt, FCC Type Accepted
- \* Digital Recorder/Player with dial-up interconnect unit and over 20 minutes of audio memory (built-in stand alone battery back-up for 5 years). Has telecon interconnect jack and external audio jack - all solid state, security pass code protected access, variable message length.
- \* Antenna
- \* Ground System - Complete, Radial or Triad
- \* Backpanel with lightning surge arrestor
- \* Enclosure, Nema 4, weather-proof, theft-deterrent
- \* Black Max Series Electronics Rack
- \* System Battery Back-up for 72 hours

Technical Services Rendered:

DRI Factory Trained Technical Services Personnel will meet with City of Lodi for an official, pre-installation site survey meeting. Exact site location to be selected and all preliminary on-site FCC frequency research conducted.

Installation: Complete turnkey installation of HAR electronics to customer's pole and connection to customer AC power and telephone lines. Complete system testing, tuning of antenna and post installation field strength measurements and reporting to the FCC. Training, 1 full day.

5 year limited warranty (standard) - Copy attached

10 year maintenance agreement - as requested.

DRI's technical support department is on call 24 hours per day, 365 days per week. One technician is always on call via pager. Direct toll-free fax and tel numbers are available for Lodi's use. Additionally, DRI has sales, service and technical support through authorized independent representatives in the Bay Area (Hayward, CA).

Local California References:

Robert Fox  
Town of Corte Madera  
342 Tamalpais Drive  
Corte Madera, CA 94925  
Tel: 415-927-5077

Chief Don Lundquist  
City of Belvedere Police Dept  
85 Lagoon Road  
Belvedere, CA 94920  
Tel: 415-435-2611

Russell Stein  
City of Berkeley  
1326 Allston Way  
Berkeley, CA 94702  
Tel: 510-644-6218

Cecil Williams  
City of Milpitas  
455 East Calaveras Boulevard  
Milpitas, CA 95035  
Tel: 408-942-2381

**For Questions Concerning This RFP Response:**

**Please Contact:**

**Michael P. Klatt  
Director, Sales & Marketing**

**Digital Recorders, Inc.  
4900 Prospectus Drive  
Suite 250  
Durham, NC 27713**

**Tel: 800-222-9583 ext. 106  
Fax: 800-849-2947**

**pager: 888-344-7385**

Item	Specification Paragraph	Comments
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Notes: "Specification Paragraph" refers to City of Lodi Specification No. B-2819.  
 "Tab" refers to the lettered tab in this document identifying a specific item or subsystem.

1.	I. <u>General</u>	<p>Digital Recorders will be providing all of the HAR equipment. Where appropriate, component cut sheets are included within this RFP.</p> <p>It is understood that the City of Lodi will provide and install the mounting pole and local utilities. On-site, HAR equipment installation, testing, tuning, FCC STA &amp; License Application will be provided by Digital Recorders Technical Services personnel.</p>
2	II. <u>System Requirements</u>	<p>All HAR materials provided within this submittal are provided by Digital Recorders and are new. All items are provided within full compliance of the specification or as noted otherwise herein.</p> <p>The TIS/HAR system includes an AM transmitter, antenna system, digital recorder system, lightning protection, provision for local and remote control, DTMF handset, ground system, battery back-up system, power/vswr meters, all necessary conduit, wiring and other hardware as required for a turnkey, properly operating HAR system.</p>

Item	Specification Paragraph	Comments
3	<u>Administrative Information</u> 1. Proposer's Responsibilities 2. Pre-Proposal Conference 3. Proposal Format 4. Interpretation 5. Withdrawal of Proposal 6. Multiple Proposals 7. Addendum 8. Opening of Proposals 9. Disputes 10. Decision to Reject 11. Scope of Services 12. Invoicing and Verification of Costs	Noted. A complete response to the RFP is herewith. Noted The minimum required RFP is submitted herewith as requested. Two copies are included. Noted Noted Noted Noted - none Noted Noted Noted Noted Noted

Item	Specification Paragraph	Comments
4	<u>Special Conditions</u>  1. - 6. - multiple  7. Subcontracting  .  8. Taxes  9. Prevailing Wage Rages  10. Protest Procedures  11. Changes  12. Standard of Performance  13. Warranties/Guarantees  14. Indemnity  15. Interest of Proposer  16. Entire Agreement  17. Governing Law	Noted & Comply  Noted - No subcontractors are believed to be required. Should the radial ground system not be utilized, a subcontractor to drill 3 holes for the Triad ground system may be required. Compliant with the RFP, should a subcontractor be utilized, they shall be approved by the City before any work is performed.  Noted - none are believed to apply  Noted and applied - comply  Noted  Noted  Noted & Comply  Noted & Comply  Noted  Noted  Noted  Noted

# DIGITAL RECORDERS

HIGHWAY INFORMATION SYSTEMS GROUP

4900 Prospectus Drive, Suite 250  
 PO Box 14068 / Research Triangle Park, NC 27709-4068  
 800-222-9583 (voice) 800-849-2947 (fax)

# QUOTATION

**To:** City of Lodi, California  
 RFP - Travelers Advisory and Emergency  
 Notification Radio System (HAR)

**Date:** 9/29/97

**Quotation No:** 092997-1mpk

**Your Reference:** B-2819

Specification No. B 2819

**Page No:** 1 of 1

Thank you for your inquiry. We are pleased to submit our quotation as follows:

ITEM	QTY	STOCK NO	DESCRIPTION	UNIT PRICE	TOTAL
1.	1	908-3614	<p>Travelers Advisory Radio System in complete compliance with Specification B-2819 II. SYSTEM REQUIREMENTS. Includes:</p> <p>10 watt am transmitter, digital recorder/player, backpanel &amp; surge arrestor, black max series electronics rack, weather-proof/theft deterrent enclosure, local control handset, complete ground system, antenna, full battery back-up system and turnkey installation package. See attached RFP compliance and proposal for additional details.</p> <p>To be installed by December 15, 1997 - Awarded by October 15, 1997.</p> <p>(Value-Engineering with regard to RFP contractual specifications and guarantees/warranties could <u>substantially reduce</u> this quotation)</p>	\$ 58,055.00	<b>\$ 58,055.00</b>

The terms and conditions of this order are printed on the reverse side and upon acceptance of this order by Seller at his home office in Research Triangle Park, NC, shall be binding upon Seller and Purchaser.

Estimated shipment from factory and acceptable payment assignments 30 days after receipt of purchase order.

Payment terms: 0 % with order; 0 % prior to shipment.

Balance net 30 days after shipment. All prices are f.o.b. shipping point.

The price and shipment estimate quoted are valid for 20 days from the date of this quotation.

The price does not include any applicable taxes unless so stated by line item.

Quotation submitted by Michael P. Klatt

Title Director of Sales & Marketing

Q-200-9/97

**PURCHASER'S ACCEPTANCE**

The above Quotation is accepted

Company \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_

Customer Order No \_\_\_\_\_

Ship to  same as above  as follows:

Ship VIA:  UPS  UPS Blue  UPS Red

Air Freight  Fed Express  Parcel Post

Truck Freight  Other \_\_\_\_\_

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## HOW TO ORDER (DOMESTIC U.S.A.)

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**Ordering Procedure:**

All sales are made in accordance with Digital Recorders, Inc. Terms and Conditions of Sale. No order shall be binding upon Digital Recorders, Inc. until accepted by the company in writing at its home office in Research Triangle Park, NC. Please order by model, stock number and description as they appear in the price schedule. Orders placed by telephone should be confirmed in writing and must be clearly marking "confirming" or we cannot assume liability for duplicate shipments.

**Prices:**

Digital Recorders, Inc. endeavors to keep published price lists current; however, prices listed herein are subject to change without prior notice.

**Payment Terms:**

Several methods of payment are available:

- (1) CASH—Full payment with order.
- (2) COD—This method is recommended for small rush orders and emergency shipments.
- (3) OPEN ACCOUNT—Orders are accepted from customers with whom we have an established credit line or whose D&B rating is acceptable to Digital Recorders, Inc. Open account billing requires payment in full within 30 days of shipment.
- (4) FINANCE PLAN—On major purchases, time financing of the balance after a 25% down payment may be available. Lease plans may be available. Contact Digital Records, Inc. Sales Department for details.

**Warranty Adjustment:**

Digital Recorders, Inc. warranty is included in the Terms and Conditions of Sale. In the event of a warranty claim, replacement or repair parts will be supplied FOB at the discretion of Digital Recorders, Inc., the customer may be required to return the defective part or equipment to Digital Recorders, Inc. FOB Durham, NC. Warranty replacements of defective merchandise will be billed to your account. This billing will be cleared by a credit issued upon return of the defective item.

**Return, Repair, or Exchanges:**

Do not return any merchandise without our written approval and Return Authorization. We will provide special shipping instructions and a code number that will assure proper handling and prompt issuance of credit. Please furnish complete details as to circumstances and reason when requesting return or merchandise. Custom built equipment or merchandise specially ordered for you is not returnable. Where return of unused merchandise is at the request of, or a convenience of the customer, a restocking fee of 25% will be charged. No unused merchandise will be accepted for return later than 30 days after shipment. All returned merchandise must be sent freight prepaid and properly insured by the customer. When writing to Digital Recorders, Inc. about your order, it will be helpful if you specify the Digital Recorders, Inc. factory order number or invoice number.

**Shipping Method:**

Unless specifically stated by the buyer, we will exercise our judgment as to the method of shipment. A full range of shipping services is available. All goods are either insured or declared for full value and the cost thereof is included as part of the shipping charges. Purchaser assumes all responsibility for and risk of loss of, or damage to equipment upon shipment from Digital Recorders, Inc. shipping point(s). Should you receive merchandise damaged in shipment, it is your responsibility to file a damage claim immediately with the delivering carrier.

**After Sale Service:**

Digital Recorders, Inc. has supported its products with factory technical service since 1982. Technically qualified Customer Service, at the factory, is available to assist you. Technical assistance is available by letter, telephone or fax. For equipment requirement repair or overhaul, arrangements must be made with the Customer Service Department for Return Authorization prior to shipping.

**Product Changes:**

Digital Recorders, Inc. reserves the right, without advance notice, to make engineering and production changes including substitution of vendor sources for components which may modify the design or specifications of its products, provided said modifications will not materially affect the performance of the product.

**Other:**

In no event is Digital Recorders, Inc. liable for consequential damage from late or non-delivery, or malfunction or failure of its products.

**Additional Information:**

Additional information and product literature are available from Digital Recorders, Inc.

## LIMITED 5 YEAR WARRANTY

Digital Recorders, Inc. (Digital), warrants each new product to be free from defects in material and workmanship, under normal use, for a period of five (5) years from the date of shipment to the initially registered purchaser.

During this warranty period, the obligation of Digital is limited to repairing or replacing, as Digital may elect, any part or parts of such product which, upon examination by Digital, is determined to be defective in material and/or workmanship.

Digital will provide warranty repairs for any unit which is delivered, with return authorization, shipping prepaid, to the Digital factory or designated authorized warranty service center for examination, and such examination reveals a defect in material and/or workmanship.

This warranty does not cover travel expenses, the cost of specialized equipment for gaining access to the product, or labor charges for removal and re-installation of the product. Batteries are not covered under this warranty.

This warranty does not extend to any unit which, in the opinion of Digital, has been subjected to abuse, misuse, improper installation or which has been inadequately maintained, or to damage caused by acts of nature or power surges, or to units which have problems relating to service or modification by anyone other than Digital factory or authorized warranty service personnel.

THERE ARE NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT, SHALL DIGITAL BE LIABLE FOR ANY LOSS OF PROFITS OR ANY INDIRECT OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY SUCH DEFECT IN MATERIAL OR WORKMANSHIP.

**DIGITAL** RECORDERS, INC.  
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