



City of Austin FSD Purchasing Office

Certificate of Exemption

DATE: 08/11/2017

DEPT: Dept of Aviation Information Systems

TO: Purchasing Officer or Designee

FROM: Diana Heath

BUYER:

PHONE: (512) 530-6341

Chapter 252 of the Local Government Code requires that municipalities comply with the procedures established for competitive sealed bids or proposals before entering into a contract requiring an expenditure of \$50,000 or more, unless the expenditure falls within an exemption listed in Section 252.022.

Senate Bill 7 amended Chapter 252 of the Local Government Code to exempt from the requirements of such Chapter expenditures made by a municipally owned electric utility for any purchases made by the municipally owned electric utility in accordance with procurement procedures adopted by a resolution of its governing body that sets out the public purpose to be achieved by those procedures. The Austin City Council has adopted Resolution No. 040610-02 to establish circumstances which could give rise to a finding of critical business need for Austin Energy.

This Certification of Exemption is executed and filed with the Purchasing Office as follows:

1. The undersigned is authorized to submit this certification.
2. The undersigned certifies that the following exemption is applicable to this purchase. (Please check which exemption you are certifying)

- ☐ a procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality
- ☐ a procurement necessary to preserve or protect the public health or safety of municipality's residents
- ☐ a procurement necessary because of unforeseen damage to public machinery, equipment, or other property
- ☐ a procurement for personal, professional, or planning services
- ☐ a procurement for work that is performed and paid for by the day as the work progresses
- ☐ a purchase of land or right-of-way
- ☒ a procurement of items available from only one source, including: items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies; films, manuscripts, or books; gas, water, and other utility services; captive replacement parts or components for

- equipment; books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits
- ☐ a purchase of rare books, papers, and other library materials for a public library
- ☐ paving, drainage, street widening and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements
- ☐ a public improvement project, already in progress, authorized by voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes as authorized by the voters

- ☐ a payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212
- ☐ personal property sold: at an auction by a state licensed auctioneer; at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code; by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or under an interlocal contract for cooperative purchasing administered by a regional planning commission established under Chapter 391
- ☐ services performed by blind or severely disabled persons
- ☐ goods purchased by a municipality for subsequent retail sale by the municipality
- ☐ electricity
- ☐ advertising, other than legal notices
- ☐ Critical Business Need (Austin Energy Only)

3. The following facts as detailed below support an exemption according to Section 252.022 of the Local Government Code for this purchase. Please verify the steps taken to confirm these facts. If you are citing the following exemptions, please provide the additional information requested below. A more detailed explanation of these exemptions is attached.

- **Preserve and Protect the Public Health and Safety** – Describe how this purchase will preserve and protect the public safety of residents.
- **Sole Source** – Describe what patents, copyrights, secret processes, or natural monopolies exist. Attach a letter from vendor supporting the sole source. The letter must be on company letterhead and be signed by an authorized person in company management.
- **Personal Services** – Describe those services to be performed personally by the individual contracted to perform them.
- **Professional Services** – Describe what mainly mental or intellectual rather than physical or manual and/or disciplines requiring special knowledge or attainment and a high order of learning, skill, and intelligence are required to perform this service.
- **Planning Services** – Describe the services primarily intended to guide governmental policy to ensure the orderly and coordinated development of the state or of municipal, county, metropolitan, or regional land areas.
- **Critical Business Need** – Describe the procurement necessary to protect the competitive interests or position of Austin Energy.

GateKeeper Systems is the only vendor that offers a Ground Transportation Management System, Taxi Dispatch and TNC management in a single, integrated, software solution package, that is also compatible with the existing ABIA Ground Transportation network environment.

4. Please attach any documentation that supports this exemption.
5. Please provide any evaluation conducted to support the recommendation. Include the efforts taken to ensure the selected vendor is responsible and will provide the best value to the City (Ex: evaluation of other firms, knowledge of market, etc).

JW Group Inc. has researched the industry options on behalf of the Airport and determined that GateKeeper Systems is the only vendor that offers a Ground Transportation Management System, Taxi Dispatch and TNC management in a single, integrated, software solution package, that is also compatible with the existing ABIA Ground Transportation network environment. GateKeeper is the only vendor that has a proven and mature solution that performs these three functions. The solution is installed in over 50 airports in the United States, including Dallas (DFW), Houston (IAH) and San Antonio (SAT). Please see attached statement for more information.

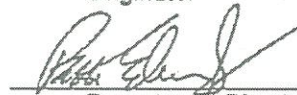
6. Because the above facts and documentation support the requested exemption, the City of Austin intends to contract with Gatekeeper Systems, Inc. which will cost approximately \$ ~~750~~ (Provide estimate and/or breakdown of cost).
308,000.00

Recommended
Certification


Originator

8/15/17
Date

Approved
Certification


Department Director or designee

8/15/17
Date


Assistant City Manager / General Manager
or designee (if applicable)

8/22/17
Date

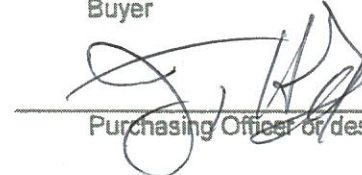
Purchasing Review
(if applicable)


Buyer

8/24/17
Date


Manager Initials

Exemption Authorized
(if applicable)


Purchasing Officer or designee

8/24/17
Date

02/26/2013

August 11, 2017

Austin-Bergstrom International Airport
3600 Presidential Blvd.
Austin, TX 78719

Gatekeeper Systems, Inc. is a Minnesota Corporation with offices in Eagan, MN. We are a software developer and system integrator specializing in the development and implementation of Ground Transportation Management (GTM) Systems for commercial service airports.

At the current time there are no other companies offering proprietary software that; 1) will provide the mix of functions and features you are seeking for the management of Commercial Vehicles as part of your Ground Transportation program at Austin International Airport; and 2) have successfully implemented a combined GTMS/TNC system in an airport.

No other vendor can provide all 3 modules (GTMS, TNC and Taxi Dispatch) as one tightly integrated solution developed by the same software developer. Although there are other vendors that are capable of providing some of the GTMS features similar to Gatekeeper, no other vendor, besides Gatekeeper, can provide the single vendor support model desired by ABIA with support staff and equipment for an end to end solution. Gatekeeper can provide factory trained technicians to support both the Gatekeeper and TransCore Infrastructure. In order to ensure ease of support and maintenance while allowing a unified approach to monitoring the GTMS, TNC, Web Portal, Taxi Dispatch and the TransCore readers for an end to end solution and support, GateKeeper is the only choice

Through a sole source agreement, ABIA will have a single point of contact throughout the entire system implementation process. There are no system overlaps, system integration conflicts or a need for any additional middleware applications that may be required when using multiple vendors and applications.

The following is discussion of the specific requirements that are not available from other vendors:

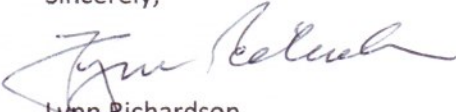
1. Full integration with TransCore RFID tags and readers.
 - a. Part of the existing equipment installed at the airport for your current GTM system is a number of TransCore RFID readers and vehicle tags. GateKeeper Systems and TransCore LLC have a contractual relationship as "Strategic Partners" to provide full GTM systems to airports. This exclusive agreement allows Gatekeeper Systems access to TransCore intellectual property to develop and maintain a comprehensive and complete integration between their hardware and our software.
 - b. Because of this agreement, GateKeeper Systems has developed an interface to provide the capability to remotely support the TransCore reader products for diagnostic, preventive maintenance, and repair purposes. This capability reduces system

“downtime” and the overall cost of maintenance for the system. No other vendor has developed such an interface.

- c. Gatekeeper Systems and TransCore have implemented this interface at over 30 airports
2. TNC Tracking Functionality. Based on the recent and rapid growth of Transportation Network Companies (i.e. Uber, Lyft, Wings, etc.) the Airport wishes to add to your GTM system functionality, the ability to track, monitor and charge these vehicles for their use of airport facilities. Only two companies are currently offering this TNC functionality, GateKeeper Systems and The American Association of Airport Executives (AAAE). AAAE does not offer the ability to track, monitor, and charge any other types of vehicles using RFID or GPS technology. So the Airport would need to maintain 2 separate systems if you select AAAE to provide your TNC capability.
3. Competitive Proposal Results. Since the start of 2016, we are aware of only 2 airports that have issued RFP’s as part of a competitive process to select a firm to provide a GTM system with TNC functionality included. We believe those RFP’s were requesting very similar functionality to what AUS is seeking. Those airports were San Jose International Airport and Oakland International Airport. In both cases GateKeeper Systems was the only firm to submit a bid and was awarded a contract to provide the desired contract.

Please contact me if you have questions or need additional information.

Sincerely,



Lynn Richardson
President
Gatekeeper Systems, Inc.