



## Legislation Text

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**File #: 3026-2017, Version: 1**

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### **1. BACKGROUND**

This ordinance authorizes a bidding waiver for the Chief Innovation Officer to execute a contract with Proteon Software Inc. (Proteon), for the provision of information technology services for the Smart City Challenge project. Ordinance Number 1901-2017 authorized the Public Service Director to transfer signature authority to the Chief Innovation Officer or the Chief Innovation Officer's designee for all past, present and future Smart Columbus, Smart City Challenge, and Paul G Allen Family Foundation contracts, documents, and projects.

In 2016, the City of Columbus bested six other finalists to be named the winner of the Smart City Challenge, a nationwide competition administered by the U.S. Department of Transportation (USDOT) and the Paul G. Allen Family Foundation, which seeks to "create a fully integrated, first-of-its kind city that uses data, technology and creativity to shape how people and goods move in the future." The receipt of federal and private grants totaling \$50 million will support the implementation of the City's proposal to demonstrate how advanced data and intelligent transportation systems (ITS) technologies and applications can be used to reduce congestion, keep travelers safe, protect the environment, respond to climate change, connect underserved communities, and support economic vitality.

After meetings with USDOT concerning the project in September 2017, it was determined the Smart Columbus Program Management Office did not have in-house or contracted expertise to help shape the project's Smart Columbus Operating System. USDOT then approved the Smart Columbus team's request for a single-source procurement waiver to contract with Proteon to perform the needed services for the project. This waiver from USDOT was required to ensure the City could be reimbursed for expenses associated with work Proteon performed.

Smart Columbus then executed a City of Columbus Contract for Services for \$18,500 with Proteon to provide the Smart City program with necessary technologist services to guide the Smart Columbus Program Office on various aspects of the Smart Columbus Operating System including system architecture design, data delivery platforms and systems integrations. However, the services provided to advance the architecture design, data delivery platforms and systems integration were executed prior the contract being signed. Therefore, this legislation also authorizes the City Auditor to pay these outstanding invoices totaling \$30,000.00. Of this \$30,000, the sum of \$18,500 will come from PO088461 and \$11,500 will be added to this contract.

Proteon is now to develop the Smart Columbus Operating System, formerly known as the Integrated Data Exchange. It is anticipated the Proteon services will be needed for three years. This ordinance is to provide for the extension of the services through December 31, 2018.

Searches in the System for Award Management (Federal) and the Findings for Recovery list (State) produced no findings against Proteon Software Inc.

### **2. CONTRACT COMPLIANCE**

The contract compliance number for Proteon is CC023394, which expires on October 10, 2019.

### **3. BID WAIVER**

USDOT, as the grantor of the funding for the Smart City project, suggested the use of Proteon and has granted a sole source procurement waiver under the terms and conditions of the Smart City grant agreement. City Code Section 329.03 states "Nothing in this chapter shall prevent any city agency from complying with the terms and conditions of any grant, gift or bequest that is otherwise consistent with law". Smart Columbus is seeking approval under Columbus City Code Section 329.15 to waive the competitive bidding requirement for the selection of Proteon as the selection was made in

accordance with the terms and conditions of the Smart City grant agreement.

#### **4. FISCAL IMPACT**

Funding in the amount of \$386,300.00 is available in Fund 7768 USDOT Grant - Smart City for this project expenditure and \$18,500 is available on PO088461 to provide for payment of outstanding invoices.

#### **5. EMERGENCY DESIGNATION**

Emergency action is requested in order to meet the project timeline agreed to by USDOT and Smart Columbus.

To authorize the Chief Innovation Officer to enter into a contract with Proteon Software, Inc.; to appropriate funds within the USDOT Grant - Smart City fund; to waive the competitive bidding requirements of Columbus City Code; to authorize the expenditure of \$386,300.00 from the USDOT Grant - Smart City fund; to authorize the City Auditor to pay outstanding invoices associated with system review services; and to declare an emergency. (\$386,300.00)

**WHEREAS**, the City of Columbus won the Smart City Challenge and was awarded a grant from the U.S. Department of Transportation (USDOT); and

**WHEREAS**, a need for expertise to help shape the project's system engineering approach has been identified; and

**WHEREAS**, USDOT recommended that Smart Columbus retain the services of Proteon for this purpose, and granted a single source procurement waiver to use Proteon on the project; and

**WHEREAS**, Smart Columbus will need to enter into a contract with Proteon to provide the needed services; and

**WHEREAS**, funding in the amount of \$386,300.00 is available in Fund 7768 USDOT Grant - Smart City for this project expenditure and \$18,500 is available on PO088461 to provide for payment of outstanding invoices; and

**WHEREAS**, it is necessary to waive competitive bidding requirements of Chapter 329 of City Code to contract with Proteon in accordance with the terms and conditions of the Smart City grant agreement; and

**WHEREAS**, funds in the USDOT Grant - Smart City fund will need to be appropriated; and

**WHEREAS**, Ordinance Number 1901-2017 authorized the Public Service Director to transfer signature authority to the Chief Innovation Officer or the Chief Innovation Officer's designee for all past, present and future Smart Columbus, Smart City Challenge, Paul G Allen Family Foundation contracts, documents, and projects; and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Public Service, Smart Columbus Program Office, in that it is immediately necessary to authorize the Chief Innovation Officer to execute the aforementioned contract so as to meet timelines agreed to with USDOT, thereby preserving the public health, peace, property, safety and welfare; **now, therefore:**

#### **BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the City's Chief Innovation Officer, on behalf of the Department of Public Service, be and is hereby authorized to execute a professional services contract with Proteon Software Inc., 7023 Fitzgerald Rd. Dublin, Ohio, 43017, for the provision of technologist services to develop the Smart Columbus Operating System, formerly known as the Integrated Data Exchange, through December 31, 2018.

**SECTION 2.** That from the unappropriated monies and from all monies estimated to come into said fund from any and all sources and unappropriated for any other purpose during the fiscal year ended December 31, 2017, the sum of \$386,300.00 is appropriated in Fund 7768 (Smart City), Dept-Div 5912 (Division of Design and Construction), Grant G591610 (USDOT Grant - Smart City), in Object Class 03 (Purchased Services) per the account codes in the attachment

to this ordinance.

**SECTION 3.** That this Council finds it is in the best interest of the City to waive the competitive bidding requirements of City Code Chapter 329 to allow Smart Columbus to contract with Proteon for technologist services related to the Smart City project.

**SECTION 4.** That the City Auditor be and hereby authorized to pay outstanding invoices in the amount \$30,000.00 associated services provided to do the system review that were executed prior the contract being signed, of which the sum of \$18,500 will come from PO088461 and \$11,500 will be added to this contract.

**SECTION 5.** That the expenditure of \$386,300.00, or so much thereof as may be needed, is hereby authorized in Fund 7768 (Smart City), Dept-Div 5912 (Division of Design and Construction), Grant G591610 (USDOT Grant - Smart City), in Object Class 03 (Purchased Services) per the accounting codes in the attachment to this ordinance.

**SECTION 6.** That the expenditure of \$18,500.00, or so much thereof as may be needed, is hereby authorized to pay outstanding invoices that occurred prior to the contract being signed form PO088461.

**SECTION 7.** That the City Auditor is hereby authorized to transfer the unencumbered balance in a project account to the unallocated balance account within the same fund upon receipt of certification by the Director of the Department administering said project that the project has been completed and the monies are no longer required for said project.

**SECTION 8.** That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

**SECTION 9.** That funds are hereby deemed appropriated and expenditures and transfers authorized to carry out the purposes of this ordinance and the City Auditor shall establish such accounting codes as necessary.

**SECTION 10.** That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.