




CITY of NOVI CITY COUNCIL

Agenda Item G
November 14, 2011

SUBJECT: Approval of a new three-year contract with IPT by Bidnet, the host of the MITN (Michigan Intergovernmental Trade Network) e-procurement website, at no cost to the City.

SUBMITTING DEPARTMENT: Finance

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

On August 14, 2006, City Council approved a resolution to update the Purchasing Policy to include e-procurement. At the same time, Council approved a three year agreement (with one year renewal options) with Bidnet, the provider of an e-procurement website for MITN which is a consortium of southeast Michigan municipalities. This website (www.mitn.info) provides a mechanism for each MITN member, including the City of Novi, to post solicitations (Invitations for Bids, Requests for Proposals, Requests for Qualifications and Requests for Quotes) on the internet. The City went live on the site in December 2006. The MITN website also includes a Surplus Auction which the City uses to dispose of surplus goods (old vehicles, equipment, etc.) To date, we have disposed of 425 items resulting in net sales of \$435,286.

The City pays no fees to post solicitations on the MITN website. Vendors who are interested in bidding on municipal projects pay an annual subscription fee to be notified by email when a solicitation is posted within their areas of interest. Vendors also have a free registration option which requires the vendor to log onto the website to look for bid opportunities, instead of receiving notifications.

The annual subscription fee for vendors has been \$49.95 per year since the website was launched in 2003. This contract provides for the fee to increase to \$89.95 per year. MITN also negotiated a 2-year option for \$149.95. Research into other e-procurement websites (see below) shows that the cost for vendors to subscribe to the MITN website is reasonable.

Construction Association of Michigan	\$295 per year
Bidclerk.com	starts at \$839.40 per year
McGraw Hill Dodge	starts at \$828 per year
Governmentbids.com	starts at \$300 per year

RECOMMENDED ACTION: Approval of a new three-year contract with IPT by Bidnet, the host of the MITN (Michigan Intergovernmental Trade Network) e-procurement website, at no cost to the City.

	1	2	Y	N
Mayor Gatt				
Council Member Casey				
Council Member Fischer				
Council Member Margolis				

	1	2	Y	N
Council Member Mutch				
Council Member Staudt				
Council Member Wrobel				



Home	Bid Opportunities	Seeking Vendors	Vendor Login	Vendor Registration	Participating Agencies	Surplus Auctions	Support
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USERNAME:
 PASSWORD:

[Forgot your username, password or PIN#](#)

The Michigan Inter-governmental Trade Network

Welcome to the Michigan Inter-governmental Trade Network Purchasing System! The Michigan Inter-governmental Trade Network (MITN), is a group of agencies that joined forces to create a Regional Bid Notification System to notify companies of new bid opportunities.

Companies now have access to all MITN participating agencies bid information from this website. This system provides instant access to all of our Bids, RFP's, Quotes, Addenda and Awards online.

If you need assistance when registering, please contact [BidNet](#). BidNet provides all technical and customer support for the Michigan Inter-governmental Trade Network system and will be happy to assist you any time.

We look forward to providing our vendors with more bid information, with less paperwork, and an easier method of doing business with us. We are excited about implementing this new system and look forward to your participation. For more information [click here to see our press releases](#).

If you are interested in becoming a participating agency and post solicitations on this system please [click here](#) to visit BidNet's IPT website.

System Information

Number of Agencies	90
Formal Bid Solicitations	13981
Quote Solicitations	5635
Award Notices Posted	8720

Departments each agency purchases for
 Dollar amount to determine bids versus quotes

[Click Here to Compare Registration Plans](#)

Vendors that would like access to bid opportunities from all participating agencies have two options:

Automatic Email Notification
 Gives vendors instant email notification and numerous advantages to help them grow their government business, and not miss new bid opportunities that match their line of work.

Search Only Access
 Gives vendors access to search for documents of interest at no charge, but requires them to remember to login frequently to ensure they catch opportunities before they close.





AGREEMENT FOR SERVICES

Parties to this Agreement: The parties to this Services Agreement (hereinafter referred to as “the Agreement”) are _____, (hereinafter referred as the “Participating Organization”) and International Data Base Corp., doing business under the trade name Interactive Procurement Technologies by BidNet, a legally incorporated body having its principal place of business at 20A Railroad Avenue, Albany, New York 12205 (hereinafter referred to as “IPT”).

RECITALS:

WHEREAS the Participating Organization is in need of web-based solicitation and bidding services, including maintenance and support services;

WHEREAS under the Agreement, IPT has developed a web-based solicitation system, providing on-line bidding services, including maintenance and support services for the Michigan Inter-governmental Trade Network (hereinafter referred to as “MITN”)

WHEREAS the Participating Organization wishes to join MITN and benefit from the services provided by IPT;

THE PARTIES AGREE:

1. Description of Services:

- 1.1. System Membership: The Participating Organization has agreed to join MITN. It is understood that IPT will provide the Participating Organization with access to MITN.
- 1.2. Promotion of System Name: To avoid confusion with the Participating Organization staff and supplier community, the Participating Organization agrees that any endorsement or advertising it may do internally or externally, will promote MITN.

2. **Term of Agreement:** This Agreement shall become effective on the date of execution for an initial term of thirty-six (36) months (the “Initial Term”). The Initial Term of this Agreement may be extended in one-year increments, without notice unless terminated by either party.

3. Payment for Services:

3.1 Participating Organization Fees:

- 3.1.1. Subscription Fees: There will be no subscription fees incurred by the Participating Organization under this Agreement.
- 3.1.2. Mailing Fees: IPT will send an invoice to the Participating Organization for reimbursement of postage fees incurred to produce the mailing to suppliers for new members.

- 3.1.3. **Programming Fees:** The Participating Organization agrees to use MITN on an “as is” basis. Any customized work to the system requested by the Participating Organization shall be made available on a time and material basis.
- 3.1.4. **Surplus Auction Fees:** Should the Participating Organization choose to use the Surplus Auctions program to sell unwanted goods and equipment, a 5% commission will be paid to IPT for items sold.

3.2 Supplier Registration Fees:

- 3.2.1. **Basic Service:** This option gives suppliers access to search for documents of interest for all Participating Organizations actively using MITN at no charge, but requires them to remember to login frequently to ensure they catch opportunities before they close. This includes bids, addendums and awards.
- 3.2.2. **Optional Value Added Service:** Suppliers that choose to register for the value added service option will be charged a nominal annual subscription fee. This includes notification from all Participating Organizations when bids, addendums and awards are posted on MITN that matches their profile. The fee for the optional service is \$89.95 for one year or \$149.95 for two years.
- 3.2.3. In the event of a price decline, contract renewal or should IPT at any time, during the life of this agreement, sell the same service(s) at prices below those stated herein, IPT will immediately extend such lower prices to the MITN membership. Exclusions include; current systems pricing and previous contractual obligations.

- 4. **Termination:** This Agreement may be terminated by either party upon sixty (60) days notice. Notice shall be in writing, sent by certified mail, return receipt requested.
- 5. **Entire Agreement:** This Agreement constitutes the entire understanding of the parties and the parties agree that there are no other understandings, representations or warranties, either expressed or implied, whether written or oral, made by either party, except as stated within this Agreement.
- 6. **Amendments:** No alteration of this Agreement shall be valid unless made in writing and signed by the parties and no oral understanding or agreements not incorporated herein shall be binding on the parties.
- 7. **Governing Law:** This Agreement shall be governed by the laws of the State of Michigan.
- 8. **Severability:** If any provision of this Agreement will be held to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable.
- 9. **Work Product Ownership:** Any copyrightable works, ideas, discoveries, inventions, patents, products, or other proprietary information developed in whole or in part by IPT in connection of this Agreement, will be the exclusive property of IPT. The Participating Organization supplier database is not subject to this work product ownership provision and remains the property of the Participating Organizations and upon written notice IPT will transmit the database to the Participating Organizations in an ODBC compliant format within twenty (20) business days.
- 10. **Unauthorized Use:** The Participating Organization agrees to require each user obtain a username and password to gain access to MITN. Sharing of usernames and passwords is strictly prohibited.

- 11. Warranty:** IPT shall provide its services and meet its obligations under this Agreement in a timely manner, using knowledge for performing the services which meet a standard of care equal to service providers similar to IPT on similar projects.
- 12. Signatures:** The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.
- 13. System improvements:** IPT will continue to make enhancements to the system to maintain a robust, progressive application that remains up to date and avoid competitive obsolesce.

13.1.1. IPT will implement the following delivery schedule upon execution of this agreement;

Enhancement	Implementation Schedule
Site Redesign go live	November 2011
Inclusion of term contract notification with optional service go live	November 2011
Inclusion of express registration verification with optional service go live	November 2011
Cooperative Purchasing go live	December 2011
Cooperative Purchasing Update go live	March 2012

- 14. Liability and Indemnity:** IPT agrees to protect, defend, reimburse, indemnify and hold each MITN member, its officers, affiliates, employees and agents harmless at all times from and against any and all claims, liabilities, expenses, losses, demands, damages, fines and causes of action of every kind and character made, incurred, sustained or initiated by any party hereto, any party acquiring any interest hereunder, any agent or employee of any party hereto, any third or other party whomsoever, or any governmental agency, arising out of, incident to, or in connection with this contract, or any claims based on a contention with the MITN system or any infringes on patents, copyrights or intellectual property or in the performance, non performance or purported performance of the work or services or breach of the terms hereof, except when a MITN member is solely at fault.

The parties hereto, by their duly authorized representatives, have executed this Agreement effective the day and year written under the Participating Organization below.

Agency: _____

**Interactive Procurement Technologies by
 BidNet[®], a division of
 INTERNATIONAL DATA BASE CORP.**

Name: _____

Name: Dan Ansell

Title: _____

Title: Vice President

Date: _____

Date:

Signature: _____

Signature: