

**AGENDA**



**Recommendation for Council Action (Purchasing)**

Austin City Council	Item ID:	26441	Agenda Number	57.
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Meeting Date:	August 29, 2013
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Department:	Purchasing
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**Subject**

Authorize award and execution of a 36-month requirements supply contract with PINNACLE PEAK HOLDING CORPORATION, dba SETCOM CORPORATION, for the purchase of Setcom headset parts and accessories in an amount not to exceed \$180,000, with three 12-month extension options in an amount not to exceed \$60,000 per extension option, for a total contract amount not to exceed \$360,000.

**Amount and Source of Funding**

Funding in the amount of \$5,000 is available in the current Fiscal Year 2012-2013 Operating Budget of Communication and Technology Management, Wireless Services. Funding for the remaining contract period and extension options is contingent upon future budgets.

**Fiscal Note**

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Sole bid received
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Prior Council Action:	
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For More Information:	Lupe Cruz, Buyer I/974-9142
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Boards and Commission Action:	
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.
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**Additional Backup Information**

This contract will provide for the purchase of Setcom headsets, parts, and accessories for the Wireless Communication Services Division. This equipment is used by motorcycle officers of the Austin Police Department and other public safety agencies with whom the City of Austin has interlocal agreements. The Setcom headset assembly includes a microphone and earpiece which allows the motorcycle officer to communicate via radio while riding. In order to determine the best value to the City, evaluation criteria included the cost of selected items and the percentage discount off the Manufacturer's Suggested Retail Price.

Purchases are made from the CTM-Wireless operating budget and items are entered into CTM-Wireless' inventory. When items are issued, the receiving department is billed the City's contract price for the item plus 15% for CTM-Wireless' receiving, stocking, and inventory management costs. As an internal-service funded division of CTM, Wireless customarily manages its parts and accessories inventory in this fashion, purchasing enough stock out of its operating budget to meet occasional or "just-in-time" demand, then billing departments by work order at point of delivery.

There is currently a contract with Pinnacle Peak Holding Corporation, dba Setcom Corporation, for the purchase of Setcom headset parts and accessories, however the contract amount was underestimated. Therefore, we are requesting a new contract with added spending authority to adequately meet demand for these items.

MBE/WBE solicited: 5/0

MBE/WBE response: 0/0

#### **PRICE ANALYSIS**

- a. Sole bidder.
- b. One hundred and eighty notices were sent, including 5 MBEs and 0 WBE. One bid was received.
- c. The pricing offered represents no increase from the previous contract award made in July 2011.

#### **APPROVAL JUSTIFICATION**

- a. Sole bid received.
- b. The Purchasing Office concurs with CTM's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.