



**Purchasing Service Agreement  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 24  
AGENDA DATE: Thu 01/15/2004  
PAGE: 1 of 1**

**SUBJECT:** Authorize execution of a 48-month installment purchase agreement with AVNET COMPUTER MARKETING ENTERPRISE SOLUTIONS, Austin, TX through the State of Texas Department of Information Resources (DIR) for Cisco Equipment in an amount not to exceed \$696,827.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$250,000 is available in the Fiscal Year 2003-2004 Operating Budget of Austin Bergstrom International Airport. Funding for the remaining 36 months is contingent upon available funding in future budgets.

**FISCAL NOTE:** There is no unanticipated fiscal impact. A fiscal note is not required.

**REQUESTING** Purchasing  
**DEPARTMENT:**for Aviation;

**DIRECTOR'S  
AUTHORIZATION:** Vickie Schubert

**FOR MORE INFORMATION CONTACT:** Maureen McKeon, Buyer Supervisor/974-2001

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** N/A

**PURCHASING:** Cooperative Purchasing

**MBE / WBE:** N/A

---

This contract is for the installment purchase of Cisco network equipment at Austin Bergstrom International Airport (ABIA). ABIA will trade in some of its existing equipment for a credit of \$127,000. The new equipment will be maintained by Avnet throughout the agreement period. The first payment of \$250,000 will be followed by three (3) equal payments of \$148,948.23, for total purchase cost of \$696,952.69.

The current network infrastructure of ABIA was originally installed at the opening of the Airport in May 1999. These products have been either declared End of Sale, End of Life by Cisco or both. End of Sale is the last date the product will be sold. End of Life is defined as "Once obsolete, the product is not sold, manufactured, improved, repaired, maintained, or supported".

The replacement of existing equipment allows for an opportunity to upgrade ABIA's network equipment to newer technology which enables features that are currently unavailable such as increased core uplink speeds, additional port capacity, and inline power for other Ethernet devices.

The installment purchase option allows ABIA to replace, upgrade, and customize network equipment while leveraging the existing budget.

The installment purchase as compared to a standard purchase will enable ABIA to spread the cost of the equipment over 4 years. The upgrade will also ensure the ABIA will continue to meet the higher needs required by the airlines and other ABIA's tenants for future voice and data services. The cost allows the users of the department's communication services to receive quality services at a reasonable rate.