



**Purchasing Modification
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 23
AGENDA DATE: Thu 03/10/2005
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SUBJECT: Authorize execution of Amendment No. 10 to the contract with METROCALL, INC., Austin TX, for wireless messaging services to extend the contract for seven months, in an amount not to exceed \$315,000, for a total revised contract amount not to exceed \$2,889,807.64.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$315,000 is available in the Fiscal Year 2004-2005 Operating Budget of various departments.

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

REQUESTING Purchasing	DIRECTOR'S
DEPARTMENT: for Fire; Police; Austin	AUTHORIZATION: <u>Vickie Schubert</u>
Water Utility; Austin	
Energy; Emergency	
Medical Services;	

FOR MORE INFORMATION CONTACT: Vic Chanmugam, Senior Buyer Specialist/974-2030

PRIOR COUNCIL ACTION: December 2, 1999 - Approved five-year contract with Metrocall Inc. in the amount of \$2,525,862

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This amendment is to extend the contract for seven months to allow sufficient time for re-solicitation of wireless messaging services.

The City's current contract with Metrocall, Inc. is shared among other members of the Wireless Messaging Paging Coalition ("Coalition"). This Coalition is a group of other government agencies with whom the City has signed Interlocal Agreements: Travis County, AISD, University of Texas, and various Emergency Service Districts throughout the Greater Austin Area.

The City's current provider, Metrocall, Inc., recently announced a merger with Arch Wireless, its major nationwide competitor in the paging business. No other paging provider in the Greater Austin Area appeared to be able to offer the coverage and/or capabilities that the Coalition required. For this reason, Coalition members were under the impression that when the current contract with Metrocall, Inc. expired, the Coalition would award a Sole Source contract to the company emerging from the Metrocall, Inc.-Arch Wireless merger.

Further research now indicates that one or more wireless messaging companies are beginning to position themselves to compete in the Greater Austin Area. Coalition members have determined that the best course of action would be to issue a Request for Proposals and evaluate all proposals received. The

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Coalition estimates that it will take seven months to issue a solicitation, receive proposals, evaluate them, select a vendor, get the approval of the governing bodies of Coalition agencies, and sign a City contract with the recommended vendor. Also, if that vendor is not the current vendor, the new vendor will need to build a Wireless Communications System which meets the requirements established by Coalition members, and that time is included in the 7-months.

City payments currently average \$45,000 per month, as shown in the table below.

DEPARTMENT	NUMBER OF PAGERS	MONTHLY CHARGES	COST FOR 7 MONTHS
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APD	1702	\$15,000	\$105,000
Austin Energy	804	\$ 6,000	\$ 42,000
Austin EMS	271	\$ 3,000	\$ 21,000
AFD	268	\$ 2,750	\$ 19,250
Austin Water	484	\$ 2,650	\$ 18,550
PARD	348	\$ 2,100	\$ 14,700
Aviation	217	\$ 1,900	\$ 13,300
CTM	184	\$ 1,415	\$ 9,905
Watershed Protection	211	\$ 1,250	\$ 8,750
APD/Homeland Security	34	\$ 1,150	\$ 8,050
HHSD	176	\$ 1,100	\$ 7,700
Public Works	182	\$ 1,100	\$ 7,700
Solid Waste	120	\$ 720	\$ 5,040
Other	704	\$ 4,865	\$ 34,055
TOTAL	5705	\$45,000	\$315,000

<u>Contract History</u>	<u>Description</u>	<u>Amount</u>
Original Contract	Five year contract	\$2,525,862.00
Amendment No. 1	Increase contract for HHSD	\$529.20
Amendment No. 2	Increase contract for PARD	\$937.39
Amendment No. 3	Increase contract for Wireless Office	\$20,586.00
Amendment No. 4	Increase contract for PARD	7,000.00
Amendment No. 5	Increase contract for Management Services	\$1,250.00
Amendment No. 6	Increase contract for ISS	\$3,500.00
Amendment No. 7	Increase contract for DSMBR	\$470.00
Amendment No. 8	Increase contract for Management Services	\$2,673.05
Amendment No. 9	Increase contract for PARD	\$12,000.00
Proposed Amendment No. 10	Extend contract for seven-months to re-solicit services	\$315,000.00