



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

**AGENDA ITEM NO.: 22  
AGENDA DATE: Thu 03/25/2004  
PAGE: 1 of 2**

**SUBJECT:** Authorize negotiation and execution of a 12-month service agreement with NEC BUSINESS NETWORK SOLUTIONS, INC., Irving, TX for maintenance support for the PBX Switch and related Premises Distribution System in an amount not to exceed \$444,248, with three 12-month extension options in an amount not to exceed \$387,854 for the first extension option, \$391,550 for the second extension option, and \$395,339 for the third extension option, for a total agreement amount not to exceed \$1,618,991.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$222,124 is available in the Fiscal Year 2003-2004 Operating Budget of the Department of Aviation. Funding for the remaining six months of the original contract period and extension options 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:** Vic Channugam, C.P.M., Specialist Sr. Buyer/974-2030

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** Recommended by Airport Advisory Board.

**PURCHASING:** Only proposal received.

**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.

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This contract is for service, support, and maintenance for the existing NEC's Private Branch Exchanges (PBXs) as well as the related Premises Distribution System (PDS), voice mail, call accounting/management system and the associated power systems at Austin-Bergstrom International Airport. The contract will also provide a mechanism for moves, adds, and changes to the PDS system on an "as needed or upon request" basis at agreed prices and equipment (such as NEC telephone hand sets) to be purchased at 37% discount (off of the manufacturer's price list).

When the airport was being built, Council awarded a contract to NEC Business Network Solutions, Inc. (BNS) to implement a shared PBX switch and a premise distribution system. This design concept allowed the tenants (airlines, rental car companies, concessionaires, cargo companies, etc.) as well as staff to use the same cable infrastructure for the voice and data requirements. Maintenance of the PBX switches and the related PDS was contracted (approved by Council, June 2000) with NEC BNS and this maintenance expires on March 31, 2004.

As any NEC certified provider was able to provide the required maintenance, a Request for Proposal (RFP) was issued on December 19, 2003. On December 22, 2003, six vendors attended the Pre-proposal Conference and Site Visit. One proposal was received from NEC, the manufacturer of the PBX (and the current maintenance provider).



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MBE/WBE solicited: 11/10

MBE/WBE proposed: 0/0

RFP File VC04300011  
**PROPOSAL ANALYSIS**

- a. Adequate competition
- b. One hundred and twenty notices were sent, including 11 MBEs and 12 MBEs. Seven RFP solicitations were issued, including 1 WBE.

**APPROVAL JUSTIFICATION**

- a. Only proposal received.
- b. The Department of Aviation concurs with the recommended award.
- c. Advertised in the Austin American Statesman on 12/8/03 and 12/15/03; and on the City's website.