Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

ITEM No. 51

Subject: Authorize award and execution of a 48-month service contract with GT DISTRIBUTORS, INC., Austin, TX, for an extended warranty for 882 tasers in an amount not to exceed \$158,715.90.

Amount and Source of Funding: Funding is available in the Fiscal Year 2005-2006 Approved Operating Budget of the Austin Police Department.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

Additional Backup Material

(click to open)
No Attachments Available

For More Information: Mick Osborne, Sr. Buyer Specialist/974 2995

Purchasing Language: Sole Source.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C 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 purchase.

This contract is for the purchase of extended warranties for the 882 Taser International X26 tasers issued to patrol and other specialized units of the Austin Police Department (APD). APD has purchased 882 X26 tasers for which the initial factory warranty has expired. Taser International, through their distributor, GT Distributors, is offering a 48-month extension of the factory warranty at a cost of \$179.95 each regardless of age. The extended warranty provides repair or replacement of any TASER X26 which fails to function for any reason from the date of purchase of the extended warranty through the 48-month term. The purchase price of each TASER X26 was just under \$800 each. Without the extended warranty, the following unit replacement cost would apply:

1 year in service, but less than 2 years \$350.00 (this is where all APD units fall now) > 2 years in service, but less than 3 years \$450.00 > 3 years in service, but less than 4 years \$550.00 > 4 years in service, but less than 5 years \$650.00 > 5 years in service, full replacement cost \$799.95

Over the past year, an average of 13 tasers per month have been sent in for replacement or repair under warranty. Next year the cost to replace the same number would be \$54,600 (156 tasers at \$350 each), the following year \$70,200 (156 tasers at \$450 each), and so on. At the current rate of failure, the purchase of the extended warranty is the least costly option. This warranty program will pay for itself in a little over two years.