



HARRIS CORPORATION

MICHAEL D. "MIKE" BOYET
Regional Service Manager
Southeast Region

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Friday, January 27, 2012

Mr. Chuck Jackson
City of Daytona Beach
301 S. Ridgewood Ave
Daytona Beach, FL

Subject: Maintenance Contract Price Increase

Dear Mr. Jackson:

Please allow me this opportunity to discuss the increase of the Daytona Beach Police Department radio maintenance contract. On March 22, 2010 the city signed a maintenance contract that covered all of their radios that were not covered under Harris' Warranty. The contract was not for a full 12 months, but was for 8 months. This was to allow the expiration date of the contract to coincide with the end of the budget year. Monthly cost for this period was \$3,102.00 per month and \$24,816 for the eight month period. Had the contract been for a full 12 months that cost would have been \$37,224.00.

For the 2010-2011 budget year, the monthly cost was \$3,536.00, with an annual cost of \$42,432.00. The price increase was primarily due to the addition of 94 P7100 radios that came out of warranty 6 months into the budget year. The prorated rate was \$4.50 per month per radio (\$423.00 per month total) with an annual rate of \$5,076.00

For the 2011-2012 budget year, the monthly cost is \$3,870.64 with an annual cost of \$46,447.68. Several things happened with this renewal. Harris can no longer support the LPE series of radios under a maintenance contract. We can still repair these radios as long as parts are available. But parts are no longer being manufactured for this model. So in good conscience I cannot guarantee that these units can be repaired and cannot cover them under a Harris contract. This removed 76 radios from the contract at a cost of \$684.00 per month. Three batches of portable radios were added: A batch of 8 radios whose warranty expired on 10/2011 (Prorated for 11 months). A batch of 88 radios whose warranty expired on 4/2011 (prorated last year). A batch of 55 radios whose warranty expired 9/2011 that have never been covered under the contract. Please see that attached sheet for more details.

At your request I am providing the flat rate Harris pricing for our maintenance contract. Please feel free to use these numbers going forward.

Portable Radio	\$9.00 per month
Mobile Radio	\$11.00 per month
Maestro Console	\$49.00 per month

Please feel free to contact me with any more questions you may have.

Sincerely,

Michael D. "Mike" Boyet
Enclosure: Inventory DPD

3/15/12
copy to Purchasing
BY.

Yarbrough, Bobbie

From: Jackson, Chuck
Sent: Thursday, March 08, 2012 3:08 PM
To: Yarbrough, Bobbie; Griffin, Christine; Lewis, Linda; Huntensburg, Mary
Cc: Flick, Joanne; Gross, Ben; Chitwood, Michael
Subject: Radio Maintenance - PD
Attachments: DOC030812.pdf

In March of 2010, The City entered a contract with Harris Corporation. The ordinance allowed for the maintenance of radios in an annual amount of \$24,816. This dollar amount is no longer sufficient, not because Harris has raised their costs but due to the City increasing the amount of radios complying with the County's mandate. Now the current fees are \$46,432.00.

It is my suggestion that a memo be created by the Chief's office requesting the CM to increase Ordinance 10-64 by \$21,616 (which is within the CM's authority) to pay for the year since we are already 6 months into it. I have been informed that we have sufficient funds.

Following an ordinance or resolution should be constructed that will allow increases by the adding of radios to the service contract at the base price so future purchases will NOT cause a similar issue.

I have included a letter from Harris that explains in more detail, a listing of the radios and the ordinance.

Charles Jackson
City of Daytona Beach
Purchasing
(386) 671-8081
(386) 671-8085 fax

3/15/12, BYJ
\$21,616 AP/CC
Due to the # of Radio's + City Commission
Approved by ratio in the contract.
James V. Chitwood

ORDINANCE NO. 10-64

AN ORDINANCE APPROVING AN AGREEMENT WITH HARRIS CORPORATION, RF COMMUNICATIONS DIVISION, A SOLE SOURCE PROVIDER, FOR MAINTENANCE SERVICES OF POLICE MOBILE AND PORTABLE RADIOS, FOR THE AMOUNT OF \$24,816 FOR A TERM COMMENCING FEBRUARY 1, 2010, AND ENDING SEPTEMBER 30, 2010, AND PROVIDING FOR EIGHT ANNUAL RENEWAL OPTIONS; AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 30-87, City Code, provides for purchases from sole source vendors with the prior approval of the City Commission after recommendation from the City Manager; and

WHEREAS, the Chief of Police, with the concurrence of the City Manager, recommends the acquisition of maintenance services from Harris Corporation, RF Communications Division, for police mobile and portable radios; and

WHEREAS, acquisition of the software from Harris Corporation, RF Communications Division, is recommended as a sole source purchase, because it has a long track record of maintaining the City's Police Department 800MHz radios, and the proximity of the vendor affords convenience of services as well as reduction in time and expense involved in repair turnaround; and

WHEREAS, the service agreement provides for annual maintenance services and is renewable for eight years; and

WHEREAS, the Chief Financial Officer has submitted a Sufficiency of Funds Certificate.