

FIN - SOLE SOURCE

Status

Requesting Department: *

ITS

Submitted By:

Matthew Arsenault

Date Created

01/12/2026

Vendor Name:

PERPLEXITY

Address:

115 SANSOME ST, SUITE 900, SAN FRANCISCO, CA 94104

E-mail:

SUPPORT@PERPLEXITY.AI

Phone:

N/A

Price

\$10,377.14

Account String *

001-17006-552122-17-51-516060-000-000-

Description

PERPLEXITY AI IS AN ADVANCED LANGUAGE MODELS TO UNDERSTAND YOUR QUESTION, THEN PERFORMING REAL-TIME WEB SEARCHES FOR CURRENT, RELEVANT INFORMATION, AND FINALLY SYNTHESIZING THE FINDINGS INTO A CONCISE, CONVERSATIONAL ANSWERS.

1.) Uniqueness of vendor’s item/service. How is this vendor the only vendor uniquely qualified to provide the product or service:

Perplexity is the sole authorized provider of Perplexity Pro licenses. As a proprietary AI-powered research platform, Perplexity Pro can only be purchased directly from Perplexity AI, Inc. There are no authorized resellers or alternative vendors who can provide legitimate access to this platform.

2.) Market Research. Describe other, similar sources or products available in the market, if any, and why they are not acceptable:

While alternative AI tools exist (ChatGPT, Microsoft Copilot, Google Gemini, Claude), Perplexity Pro provides the optimal combination of real-time web search with cited sources and superior data control capabilities for government use. Other platforms lack equivalent source citation features, provide insufficient data control options for municipal operations, or do not offer the specific feature set required for our diverse use cases across IT operations, security compliance research, and administration.

3.) Proposed Actions. Describe the actions the department will take to overcome the present barriers to competition for any future acquisition of this product or service:

The IT Department will conduct annual market analysis of AI research platforms to evaluate competitive alternatives that may develop equivalent capabilities. We will monitor for new entrants or existing competitors that achieve feature parity with Perplexity Pro's citation-based research and data control features. If functionally equivalent platforms from other vendors become available, we will pursue competitive procurement in future renewal cycles.

Attachments (0)

FIN - ATTACHMENTS - SOLE SOURCE

Approval: Budget

Christine Vilivong

Date

1/12/2026
2:29:30
PM

Approval: Procurement Buyer Andrew Byrnes		Date 1/13/2026 1:46:31 PM
Approval: Director Matthew Vilord		Date: 01/26/202 6
Approval: Procurement Manager Wanda Roop	(not to exceed \$50,000.00)	Date 01/26/202 6
Approval: City Manager	(not to exceed \$100,000.00) without Council Approval	Date

Procurement Staff			
Procurement Staff Assigned	Council Agenda Date	Council Action	Resolution # Purchase Order #
ABYRNES			
Procurement Comments:			

Council authorization required if exceeding \$100,000.00