

AGENDA



Wednesday, June 18, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 41**

Subject: Authorize award and execution of Amendment No. 2 to a requirements services contract with SUCCESSFACTORS (USA), San Mateo, CA, for the purchase of an Application Service Provider (ASP) performance management software, software maintenance, training and related consulting services by increasing the contract authority in an estimated amount not to exceed \$300,000 for the current term, increase the first extension option in an estimated amount of \$150,000, reduce the third extension option (by \$150,000), and delete the final extension option (\$300,000), for a revised total estimated contract amount not to exceed \$1,899,999.

Amount and Source of Funding: Funding in the amount of \$58,333 is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy. Funding for the remaining extension options is contingent upon available funding in future budgets.

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

For More Information: Art Acuña, Senior Buyer/512-322-6307

Purchasing Language: Contract Amendment.

MBE/WBE: This purchase 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 solicitation.

Prior Council Action: 07/26/07 – Approved a 12-month contract with four 12-month extension options.

On July 26, 2007, Council approved a 12-month requirements service contract in an estimated amount not to exceed \$350,000, with four 12-month extension options in estimated amounts not to exceed \$300,000 for the first extension option, \$450,000 for the second extension option, \$450,000 for the third extension option, \$300,000 for the fourth extension option, for a total estimated contract amount not to exceed \$1,850,000.

The contract is for an ASP hosted software subscription, services, and training which will provide selected data and automated tools necessary to analyze Austin Energy's (AE) capital workforce investment for the purpose of performing Succession Planning, Human Capital Costing, Organizational Structure Management, and Workforce Planning.

Amendment No. 1 was for an administrative increase of \$49,999 to pay invoices for additional subscription fees that exceeded the original \$350,000 for the original contract term.

This proposed Amendment No. 2 will accelerate the spending schedule on the workforce planning contract to meet the scheduled needs of Austin Energy. This change will shorten the total contract term from five years to four years.