

## AGENDA



Thursday, July 23, 2009

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 60**

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**Subject:** Authorize award, negotiation, and execution of a 12-month service contract, with the State of Texas Department of Information Resources (DIR), with ADJACENT TECHNOLOGIES, Austin, TX, for implementation and support of the IBM FileNet software, including technical, training, and annual support and maintenance services, as the Enterprise Document and Process Management system for Austin Energy, in an estimated amount not to exceed \$680,000, with two 12-month extension options in estimated amounts not to exceed \$725,000 for the first extension option and \$525,000 for the second extension option, for a total estimated contract amount not to exceed \$1,930,000.

**Amount and Source of Funding:** Funding in the amount of \$680,000 is available in the Fiscal Year 2008-2009 Capital Budget of Austin Energy. Funding for the extension options is contingent upon available funding in future budgets.

**Fiscal Note:** A fiscal note is attached.

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

**Purchasing Language:**

**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). This contract is a Cooperative Purchase; therefore, it is exempted under Chapter 791 of the Texas Local Government Code and no goals were established for this solicitation.

**Boards and Commission Action:** Recommended by the Electric Utility Commission.

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This contract is for the implementation and maintenance/support of the IBM FileNet Enterprise Document Management software, including technical, training, and annual support and maintenance services for Austin Energy (AE).

FileNet is IBM's enterprise document management (ECM) tool used to capture, manage, store, preserve, and deliver documents and content related to organizational processes. This acquisition will assist AE in complying with critical infrastructure protection (CIP) which is the electric reliability regulations developed by the North American Electric Reliability Corporation (NERC). The Federal Energy Regulatory Commission (FERC) designated NERC as the electric reliability organization. The new mandatory CIP reliability standards are necessary to protect the nation's bulk power system against potential disruptions from cyber security breaches. This project will use the ECM system to address the needs of coordinating and managing compliance by AE.

In addition, AE is working to acquire ISO 9001:2008 registration for its Customer Care business unit. A major requirement is a document control system, which includes document versioning, an audit trail for approval of document changes, security, retrieval, and adherence to retention policies. This requirement is accomplished by a properly implemented document management system, such as FileNet. This project will serve as the basis for implementing document control systems in other business units to comply with the ISO standards.

Expected benefits of a well-implemented ECM system are enabling disaster recovery of mission-critical documents and records, and reduction of costs for physical storage space of archived records. Included in the Phase I projects are implementation of solutions to comply with NERC/FERC and ISO 9001:2008 reporting and auditing requirements, and meeting the City of Austin's records management ordinance. This contract authorization includes annual technical support and maintenance fees for years two and three.

AE purchased enterprise licensing for IBM-FileNet P8 software in December 2008. The installation and configuration of the P8 environments are addressed as part of a separate contract and are not included in this contract. Adjacent Technologies is a local ECM partner-integrator for the IBM-FileNet software. As this is new technology for the AE infrastructure, assistance with the implementation from Adjacent is required. The implementation will be completed as a series of smaller projects, addressing individual business needs. The first phase consists of five designated projects in an amount not to exceed \$680,000. Projects for the subsequent phases are to be determined and completed over the next fiscal years and for any potential future phases AE will go back to council for consent. All projects will leverage Adjacent's expert resources to design and implement quality solutions for business requirements while transferring knowledge to AE staff with the goal of minimizing future contracted services.

DIR has continued to provide additional products and services through its program at competitively bid discounted prices. The purchasing power of the State of Texas is used to leverage purchasing effectiveness. Communications and Technology Management (CTM) reviews and approves technology purchases for all General Fund and Support Services Departments. All technology requests will undergo technology review to ensure compliance with citywide standards and technology compatibility with existing systems.