

## AGENDA



Thursday, September 24, 2009

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 63**

**Subject:** Authorize award, negotiation, and execution of a 12-month requirements supply contract through the State of Texas, Department of Information Resources (DIR) with DELL, INC., Round Rock, Texas, for the purchase of power management software (NightWatchman) and related maintenance and services, in an estimated amount not to exceed \$172,300, with two 12-month extension options in an estimated amount not to exceed \$33,840 per extension option, for a total estimated contract amount not to exceed \$239,980.

**Amount and Source of Funding:** Funding in the amount of \$121,800 is available in the Fiscal Year 2008-2009 Operating Budgets of Austin Energy, Austin Water Utility and Austin Convention Center Energy Conservation Programs. Funding in the amount of \$32,500 is available in the Fiscal Year 2008-2009 Operating Budget of the Financial and Administrative Services Department, Communications and Technology Management. Funding in the amount of \$18,000 is contingent upon approval of Fiscal Year 2009-2010 Operating Budget of the Financial and Administrative Services Department, Communications and Technology Management. Funding for the 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:** Mick Osborne, Specialist Sr. Buyer /974 2995

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D 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 and Resource Management Commission.

This contract is for the procurement of power management software and related maintenance and services. The 1e NightWatchman application was formally evaluated over a four-week period to ensure technical compatibility with the Communication and Technology Management Division's (CTM) IT environment, compliance with customer requirements, and to evaluate energy savings.

The purpose of acquiring a power management software product is to reduce the power consumption of City-owned PCs by putting PCs in a low power state during defined off-business hours. This initiative is being sponsored by Austin Energy's Municipal Energy Conservation Program. The value of implementing a power management application will be realized in lower electric bills for the City, as well as to support "green" initiatives mandated by City Council.

The project's citywide energy savings are estimated to be:

- Annual avoided energy cost of \$280,950 (Year 1)
- Energy savings of 3,498,744 kWh per year
- Carbon footprint reduction of 2,554 short tons of CO2 equivalent

Based on these findings, the City will recover the initial cost in approximately seven and one-half months. Based on current usage, the savings in year two and thereafter is estimated to be \$247,100 annually (avoided cost minus the cost of annual maintenance).

Implementation of this software will be conducted by a CTM project team with assistance as needed from Dell's consulting services team. The software will be installed on a server where the application will be pushed via a silent Microsoft installer script to desktop systems.

The cost of the software will be partially rebated to the departments through Austin Energy's Commercial Rebate Program once it is installed and operational.

Dell, Inc. is contracted through the State of Texas, Department of Information Resources (DIR) to provide this software and services to other public entities state-wide as a result of a competitive bidding process. Utilizing the DIR contract provides for large volume discount pricing.