

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

19921

Agenda Number

42.

Meeting Date:

November 8, 2012

Department:

Purchasing

Subject

Authorize award, negotiation, and execution of a services contract with LUCIDITY CONSULTING GROUP, to provide technical consulting and advisory services for the newly deployed Customer Care and Billing System software in the amount of \$249,000, plus a contingency of \$51,000 for a total contract amount not to exceed \$300,000.

Amount and Source of Funding

Funding in the amount of \$300,000 is available in the Fiscal Year 2012-2013 Operating Budget of the Austin Water Utility.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:

Sole Source

Prior Council Action:

For More Information:

Brenda Helgren, Sr. Buyer/974-9141

Boards and Commission Action:

To be reviewed by the Water and Wastewater Commission on November 14, 2012.

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). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

Related Items:

Additional Backup Information

This request is for technical consulting and advisory services to assist AWU in configuring, testing, and implementing new utility rate change values, tiers, algorithm, and other changes/revisions to its newly deployed Customer Care and Billing System (CC&B) software from Oracle. The rate change implementation needs to be fully functional and live before February 1, 2013.

The City made the technology decision to use the CC&B software system for utility billing purposes and the system went live in October of 2011. Lucidity has intimate knowledge of the CC&B system from both a functional and technical perspective, and considers this knowledge their intellectual property. Further, Lucidity is currently engaged with Austin Energy (AE), for the purpose of assisting them with the implementation of their rate changes to the CC&B. As a result of that engagement, Lucidity has obtained unique knowledge about how the City uses the CC&B system, and the knowledge gained from that engagement will directly transfer and benefit the same effort now needed for AWU.

Using Lucidity, Richardson, TX, for AWU will also serve to expedite the outcome and help ensure that we meet our deadline of February 1, 2013 for these rates to be in production. Lucidity's experience performing the work for AE will provide assurance that the changes needed by AWU will be compatible with the changes recently implemented for AE because of their familiarity with the structure and functional approach used.

Using the same source for the AWU requirements as well as for AE benefits the City in the following ways:

- Lucidity is already on board, and understands the programming methods and processes needed to effect the changes
- Less overhead is required by City staff to manage a single vendor's work, and to perform quality assurance for the results
- Using a single vendor results in more consistent data processing and testing methodologies
- A single vendor can re-use code and processes, resulting in increased efficiency
- Training, and questions and answers come from a single source

There are inherent risks in involving another vendor including the following:

- Requirement for learning time to become familiar with the code and database schema
- Risk of another vendor corrupting the work of Lucidity
- Higher requirements for quality control and quality assurance processes are required with two different vendors
- Chance of configuration errors is greater than with a single vendor
- This application is highly visible to citizens – the less risk, the better
- Requires a high degree of communication and collaboration between the two separate vendors to ensure that results are consistent
- More contract management overhead (time and resources) required by the City (invoicing, payments, progress tracking, testing, vendor personnel management)
- May require extra expenditure for software change management (either change management software or City resources, or both)
- Risks inherent in spreading accountability to more than one vendor

