



**Recommendation for  
Water & Wastewater Commission**

<b>Commission Meeting Date:</b>	March 8, 2017
<b>Council Meeting Date:</b>	March 23, 2017
<b>Department:</b>	Purchasing
<b>SUBJECT</b>	
<p>Authorize negotiation and execution of a 24-month contract with <b>KORTERRA INC.</b>, to provide Application Service Provider hosting services for underground utility location, in an estimated amount of \$132,400, with three 12-month extension options in an estimated amount of \$66,200 per extension option, for a total contract amount not to exceed \$331,000. This is a multi-department contract. Austin Water's requested authorization is \$171,000.</p>	
<b>AMOUNT AND SOURCE OF FUNDING</b>	
<p>Funding in the amount of \$19,950 is available in the Fiscal Year 2016 – 2017 Operating budget of Austin Water. Funding for the remaining 17 months of the original contract period and extension options are contingent upon available funding in future budgets.</p>	
<b>Purchasing Language:</b>	Sole Source
<b>Prior Council Action:</b>	N/A
<b>For More Information:</b>	Georgia Billela, 512-974-2939; Mark Martinez, 512-972-1132
<b>Boards and Commission Action:</b>	March 8, 2017- To be reviewed by the Water and Wastewater Commission.
<b>MBE/WBE:</b>	This contract is exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established.

The contract will provide the City continuation of Application Service Provider (ASP) hosting for KorTerra Client Server KorWeb service. The KorWeb is a routing software that groups the request into geographical region which City departments use to track and complete tickets electronically. This process prevents accidental dig-ins that could result in injury for the excavator or infrastructure damage. KorTerra is the owner and sole provider of the proprietary source code for KorTerra software. The City is a member of Texas 811 "One Call" and mandated by State law, that City departments participate with member gas, water, and telecom providers in locating underground facilities when requested.

KorTerra provides the City departments with the functionality to manage "locate request" for Texas 811 "One Call". KorTerra will maintain the ASP environment in a tier one data center, provide full client server functionality for receipt and management of locate request, provide, store and forward mobile application for field users, provide web-based applications on the same client server technology with an interface to street mapping software, email positive response capability, and divide locate request for individual City departments.

If the City is unable to secure a contract, the Texas 811 "One Call" notifications will require additional manpower to manually sort tickets and create a delay in the response of utilities locations that could have adverse actions at the field level.

<b>KORTERRA INC.</b>				
	<b># months</b>	<b>Contract Amount</b>	<b>Contract Amendment</b>	<b>Revised Amount</b>
Original Term	24	\$132,400	n/a	n/a
Extension Option 1	12	\$66,200	n/a	n/a
Extension Option 2	12	\$66,200	n/a	n/a
Extension Option 3	12	\$66,200	n/a	n/a
<b>TOTAL</b>	<b>60</b>	<b>\$331,000</b>	<b>\$ -</b>	<b>\$-</b>