

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council		Item ID:	71207	Agenda Number	29.
Meeting Date:		June 15, 2017			
Department:		Purchasing			
Subject					
Authorize negotiation and execution of a 12-month contract through the State of Texas Department of Information Resources cooperative purchasing program with CARAHSOFT TECHNOLOGY CORP., to provide Salesforce software, products and services, in an estimated amount of \$315,000, with four 12-month extension options in an estimated amount of \$315,000 per extension option, for a total contract amount not to exceed \$1,575,000.					
Amount and Source of Funding					
Funding in the amount of \$78,750 is available Fiscal Year 2016-2017 Operating Budget of Austin Energy. Funding for the remaining nine months of the original contract period and extension options are contingent upon available funding in future budgets.					
Fiscal Note					
A fiscal note is not required.					
Purchasing Language:	The Purchasing Office has determined this Contractor best meets the needs of the Department to provide the goods and services required at the best value for the City. The recommended Contractor is the current provider for these goods and services.				
Prior Council Action:	Various dates due to multiple earlier contracts				
For More Information:	Inquiries should be directed to the City Manager’s Agenda Office, at 512-974-2991 or AgendaOffice@ austintexas.gov or to the buyer, Gabriela Harthcock, at 512-322-6118 or Gabriela.Harthcock@ austinenergy.com				
Boards and Commission Action:	May 15, 2017- Recommended by the Electric Utility Commission on a 9-0 vote, with two vacancies.				
Related Items:					
MBE / WBE:	This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.				
Additional Backup Information					

The contract is for the purchase of Salesforce products and services, including maintenance and support, for Austin Energy. The contract will facilitate the upgrade, renewal and consolidation of Austin Energy's Salesforce portfolio.

Salesforce is a secured web based platform customer relationship management tool used to store and manage customer information which is used for tracking program participation, customer inquiries and communications. Salesforce Connect allows internal staff to access real-time data in external applications which will give a more accurate view into customer data, thus enabling higher productivity and increased customer satisfaction. Marketing Cloud is used to automate emails to keep Austin Energy key account customers informed of any events or emergencies that may affect them.

The contract is a consolidation of purchases of these products and services into a single contract. The requested authorization amount is based on forecasted needs for the term of the contract; Austin Energy's historical spend for these products and services have averaged approximately \$315,000 per year.

Carahsoft Technology Corp. is the only licensed distributor for Salesforce support and related services. They made available to the City the same discounted price available to resellers; therefore looking for pricing in the open market would have increased City cost due to the mark-up that would have been otherwise added.

The State of Texas Department of Information Resources cooperative establishes competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of products and services through a streamlined cooperative purchasing program.

CARASOFT TECHNOLOGY CORP.				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	12	\$ 315,000	n/a	n/a
Extension Option 1	12	\$ 315,000	n/a	n/a
Extension Option 2	12	\$ 315,000	n/a	n/a
Extension Option 3	12	\$ 315,000	n/a	n/a
Extension Option 4	12	\$ 315,000	n/a	n/a
TOTAL	60	\$ 1,575,000	\$ -	\$ -