

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: June 14, 2018

Item Number: **043**

Purchasing Office

Authorize negotiation and execution of a contract with Open Systems International, Inc., or one of the other qualified offerors to Request For Proposals 1100 TVN0063, to provide software, implementation, training, software maintenance, and support services for the Supervisory Control and Data Acquisition/Energy Management System, for up to 10 years for a total contract amount not to exceed \$8,400,000. (Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of \$4,593,475 is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.
Purchasing Language	The Purchasing Office issued a Request for Proposals (RFP) 1100 TVN0063 for these goods and services. The solicitation issued on November 20, 2017 and it closed on January 25, 2018. Of the six offers received, the recommended contractor submitted the best evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City’s Financial Services website, Austin Finance Online. Link: Solicitation Documents <https://www.austintexas.gov/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=121208> .
For More Information	Inquiries should be directed to the City Manager’s Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov < mailto:AgendaOffice@austintexas.gov > NOTE: Respondents to this solicitation, and their representatives,

	shall continue to direct inquiries to the solicitation's Authorized Contact Person: Cheryl Kaufman, at 512-505-3545 or Cheryl.Kaufman@austinenergy.com < mailto:Cheryl.Kaufman@austinenergy.com >.
Council Committee, Boards and Commission Action	May 21, 2018 - Recommended unanimously by the Electric Utility Commission on a 9-0 vote with two vacancies.
Client Department(s)	Austin Energy.

Additional Backup Information:

The contract is for software, implementation services, training, software maintenance and support services of the Supervisory Control and Data Acquisition/Energy Management System (SCADA/EMS) program. These systems are critical to run automatic functions that improve transmission system reliability and efficiency as required by the Electric Reliability Council of Texas Independent System Operator operations (ERCOT ISO), Texas Reliability Entity (TRE), and Federal Energy Regulatory Commission (FERC). These systems combine and enhance data from several core programs into one seamless operating environment. This process gives Austin Energy the ability to analyze and process all available information in real time to optimize the operation of the transmission system and improve operational awareness to monitor and control the performance of the transmission system.

The SCADA/EMS system is a mission critical system essential for safely and reliably operating and managing the transmission and distribution system. Without it, Austin Energy will effectively be immobilized and unable to maintain continuous operations. The current SCADA software requires upgrade to a current technology in order to be in compliance with the North American Energy Reliability Corporation (NERC) Critical Infrastructure Protections.

An evaluation team with expertise in this area evaluated the offers and scored Open Systems International, Inc. as the best to provide these services based on proposed solution and program, business organization, stability, company experience, personnel, cost, service-disabled veteran status, and local business presence.

This request allows for the development of a contract with a qualified offeror selected by Council. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that another qualified offeror may be selected, authorizing new contract negotiations.

Contract Detail:

<u>Contract Term</u>	<u>Length</u>	<u>Contract of Term Authorization</u>
Initial Term	3 yrs.	\$4,593,475
Optional Extension 1	1 yr.	\$ 543,790
Optional Extension 2	1 yr.	\$ 543,790
Optional Extension 3	1 yr.	\$ 543,790
Optional Extension 4	1 yr.	\$ 543,790
Optional Extension 5	1 yr.	\$ 543,790
Optional Extension 6	1 yr.	\$ 543,790
Optional Extension 7	1 yr.	\$ 543,785
TOTAL	10 yrs.	\$8,400,000

Note:Contract Authorization amounts are based on the City's estimated annual usage.