



**Purchasing Modification
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 22
AGENDA DATE: Thu 03/02/2006
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SUBJECT: Authorize negotiation and execution of Amendment No. 4 to increase the contract with ABB, Inc., Sugarland, TX, for Supervisory Control and Data Acquisition/Energy Management System (SCADA/EMS) maintenance services in an amount not to exceed \$356,825 for year three, \$390,419 for year four, \$420,359 for year five, and add five 12-month extension options for maintenance services in an amount not to exceed \$1,030,389 for year six, \$1,105,676 for year seven, \$1,186,547 for year eight, \$1,273,429 for year nine, and \$1,366,773 for year ten, for a revised total contract amount not to exceed \$16,258,735.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$356,825 is available in the Fiscal Year 2005-2006 Amended Operating Budget of Austin Energy. Funding for years four and five and the additional extension options is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT:for Austin Energy; **AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Mario Guerrero, Sr. Buyer/974-2261

PRIOR COUNCIL ACTION: 07/19/01-Approved original contract, 08/05/04-Approved contract Amendment No. 1.

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: This contract was awarded in compliance with Chapter 2-9 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.

In July 2001, Council approved a contract for the purchase of a Supervisory Control and Data Acquisition/Energy Management System (SCADA/EMS) including installation, training and one year of maintenance, and four maintenance extension options. In August 2004, Council approved a contract amendment to increase the contract amount to provide for additional system functionalities. These additions were necessary due to new regulatory requirements for increased security and reliability for systems and processes associated with electric grid operation.

This amendment is for supplemental funding for SCADA/EMS system maintenance for years three through five of the existing contract and for additional system software and hardware maintenance funding for contract years six through ten, as anticipated by options provided in the original contract. This funding provides for required 3rd Party license renewals, non-upgrade software support and maintenance costs for system enhancements.

SCADA-EMS is the real time control system for the electric utility which monitors and controls power output of generating plants, transmission systems and distribution networks.



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The system operates on a 24x7 schedule and manages the electric grid functions, grid reliability and security at the lowest cost to the electric system operation. The system also impacts the safety of electric system construction and maintenance personnel who are dependent on the status and control information provided by SCADA-EMS.

Contract Summary

ACTION	DESCRIPTION	AMOUNT
Original Contract	Purchase of SCADA/EMS Energy Management System including installation, training, and one year of maintenance with four maintenance options	\$6,109,862
	Year 2	\$444,050
	Year 3	\$475,133
	Year 4	\$508,393
	Year 5	\$543,980
Amendment No 1	Purchase of enhancements to SCADA/EMS System - Year 1	\$1,001,000
Amendment No 2	Exercised first maintenance extension option – Year 2 (\$444,050)	
Amendment No 3	Administrative increase to add partial amount for 3rd party software maintenance – Year 2	\$45,900
Proposed Amendment No 4	Increase Years 3-5 and add five 12-month extension options	
	Year 3 Increase	\$356,825 (for a total \$831,958)
	Year 4 Increase	\$390,419 (for a total \$898,812)
	Year 5 Increase	\$420,359 (for a total \$964,339)
	Year 6 Additional extension option	\$1,030,389
	Year 7 Additional extension option	\$1,105,676
	Year 8 Additional extension option	\$1,186,547
	Year 9 Additional extension option	\$1,273,429
	Year 10 Additional extension option	<u>\$1,366,773</u>
	Revised Total Contract Amount	\$16,258,735