

## AGENDA



Thursday, June 8, 2006

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**Purchasing Service Agreement  
RECOMMENDATION FOR COUNCIL  
ACTION**

 46  
 ITEM 38

**Subject:** Approve ratification of a 12-month service agreement with VIRTUAL HOLD TECHNOLOGY, LLC, Akron, OH, for the purchase and installation of an automated telephony queue management return call system, with one-year maintenance, for the Austin Energy Call Contact Centers, in an amount not to exceed \$157,966.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2005-2006 Approved Capital Budget of Austin Energy.

**Fiscal Note:** A fiscal note is attached.

**For More Information:** Martha L. Gaines, Buyer II/322-6583

**Prior Council Action:**

**Boards and Commission Action:**

**Purchasing Language:** Critical Business Need.

**MBE/WBE:** This contract will be 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.

**Additional Backup Material**

(click to open)

- ☐ [Virtual Hold Fiscal Note](#)
- ☐ [Critical Business Need Memo](#)

An emergency purchase order was placed on April 13, 2006 for the purchase of the Virtual hold, telephone call management system. This is a Critical Business Need because Austin Energy must meet the installation schedule before the peak call demand of the summer months. The quote from the Contractor was valid only until May 5, 2006. After that time the cost would have increased to \$207,616.

This contract is for installing and implementing an automated telephony queue management return-call system for the Austin Energy Contact Center. The Virtual Hold system allows customers to request a return call from the Contact Center rather than wait in a hold queue for their calls to be answered. Austin Energy (AE) plans to install and implement the Virtual Hold software application on AE's existing Contact Center telephone system. This will allow the contact center to handle greatly increased call volumes typically experienced during the high volume call seasons. The new application will allow customers to receive a much higher level of satisfaction because they will have the option of waiting in a traditional call queue for assistance from a Customer Service

Representative or receiving a call-back from an Austin Energy representative. The AE Contact Center will have a much higher level of successfully completed calls.

AE is in the process of installing a new PBX system. After the new system is installed and fully implemented at the AE Contact Center, the Virtual Hold application will be migrated to the new system, at no additional charge and will be permanently used on the new system thereafter. Without installation of the Virtual Hold application, the AE Contact Center will not be able to provide increased customer service for the periods and seasons when high call volumes cause considerably long wait times for AE's customers.

**CIP BUDGET  
Fiscal Note**

**DATE OF COUNCIL CONSIDERATION:**

6/8/2006

**WHERE ON AGENDA:**

Resolution

**DEPARTMENT:**

Austin Energy

**SUBJECT:** Approve ratification of a 12-month service agreement with VIRTUAL HOLD TECHNOLOGY, LLC, Akron, OH, for the purchase and installation of an automated telephony queue management return call system, with 1-year maintenance, for the Austin Energy Call Contact Centers, in an amount not to exceed \$157,966.

**FINANCIAL INFORMATION:**

Parent Project Name:      **Customer Services, Billing and Metering**

Project Authorization:    2004-2005 Approved Capital Budget

Current Appropriation	\$	32,793,951.00	
Unencumbered Balance			\$ 11,337,910.84
Amount of This Action			(157,966.00)
Remaining Balance			<u>\$ 11,179,944.84</u>

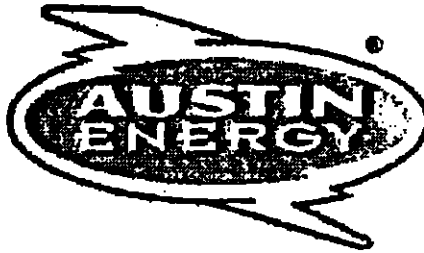
**Use of Remaining Balance:**

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

**Use of Any Remaining Funds After Completion of Project:**

No remaining funds anticipated at this time.

Director, Planning & Budget    Signature: J.E. Pokorny      Date: 5/18/2006



## MEMORANDUM

**TO:** Mayor and Council Members  
Toby Hammett Futrell, City Manager

**FROM:** Juan Garza, General Manager, Austin Energy

*B. G. K. [Signature]  
JUAN GARZA*

**DATE:** April 10, 2006

**SUBJECT:** Critical Business Need: Virtual Hold Technology for Customer Contact Center

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### ACTION:

As detailed below, and in accordance with City Council-approved purchasing procedures, I am designating as a Critical Business Need of Austin Energy (AE), the purchase of the Virtual Hold software application to assist with the 2006 summer high call volume. We plan to bring an RCA to Council regarding this issue next month.

### BACKGROUND:

Austin Energy is in the process of replacing the Customer Contact Center telephony system. The original plan called for purchase and installation of the system prior to the beginning of the traditional summer high call volume; however, due to extensive contract negotiations, the planned implementation has been moved to October 2006. The contract includes the purchase of Avaya voice systems equipment, software, and services for a fully-integrated, next-generation voice communications system for the City of Austin Customer Contact Center and the 311 Citywide Call Center.

Because the total replacement solution will not be implemented until after the summer high call volume period, Austin Energy needs to purchase the one component that specifically helps reduce hold times during high volume call periods. This component is the Virtual Hold software that evaluates available skilled staff resources logged-in to the phone system in real time, estimates the minute-by-minute hold time, and allows the customer to choose to hold or schedule a pre-planned call back to the customer's phone number of choice. The Virtual Hold product can be installed on the Contact Center's existing Siemens PBX switch and migrated to the new Avaya PBX switch at the later date.

The Virtual Hold system must be installed, tested and fully implemented by the middle of June 2006 in order to accommodate the heavy volume of calls that results from high summer bills and the movement of the extremely large student population in the utility service area during August. Austin Energy needs to procure the Virtual Hold system immediately in order to take delivery and install the application prior to the upcoming high call demand and to secure the low bid of \$157,966 from Virtual Hold Technology, Akron, OH, that is valid until May 5, 2006.

Please let me know if you have any questions or concerns. I can be reached at 322-6002.