



City of Austin FSD Purchasing Office

Certificate of Exemption

DATE: 05/04/2017

DEPT: Austin Energy/Austin 3-1-1

TO: Purchasing Officer or Designee

FROM: Cindi Perez

BUYER: Jim Howard

PHONE: (512) 972-9801

Chapter 252 of the Local Government Code requires that municipalities comply with the procedures established for competitive sealed bids or proposals before entering into a contract requiring an expenditure of \$50,000 or more, unless the expenditure falls within an exemption listed in Section 252.022.

Senate Bill 7 amended Chapter 252 of the Local Government Code to exempt from the requirements of such Chapter expenditures made by a municipally owned electric utility for any purchases made by the municipally owned electric utility in accordance with procurement procedures adopted by a resolution of its governing body that sets out the public purpose to be achieved by those procedures. The Austin City Council has adopted Resolution No. 040610-02 to establish circumstances which could give rise to a finding of critical business need for Austin Energy.

This Certification of Exemption is executed and filed with the Purchasing Office as follows:

1. The undersigned is authorized to submit this certification.
2. The undersigned certifies that the following exemption is applicable to this purchase. (Please check which exemption you are certifying)

- ☐ a procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality
- ☐ a procurement necessary to preserve or protect the public health or safety of municipality's residents
- ☐ a procurement necessary because of unforeseen damage to public machinery, equipment, or other property
- ☐ a procurement for personal, professional, or planning services
- ☐ a procurement for work that is performed and paid for by the day as the work progresses
- ☐ a purchase of land or right-of-way
- ☒ a procurement of items available from only one source, including: items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies; films, manuscripts, or books; gas, water, and other utility services; captive replacement parts or components for

equipment; books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits

- ☐ a purchase of rare books, papers, and other library materials for a public library
- ☐ paving, drainage, street widening and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements
- ☐ a public improvement project, already in progress, authorized by voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes as authorized by the voters

- ☐ a payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212
- ☐ personal property sold: at an auction by a state licensed auctioneer; at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code; by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or under an interlocal contract for
 - ☐ cooperative purchasing administered by a regional planning commission established under Chapter 391
 - ☐ services performed by blind or severely disabled persons
 - ☐ goods purchased by a municipality for subsequent retail sale by the municipality
 - ☐ electricity
 - ☐ advertising, other than legal notices
 - ☐ Critical Business Need (Austin Energy Only)

3. The following facts as detailed below support an exemption according to Section 252.022 of the Local Government Code for this purchase. Please verify the steps taken to confirm these facts. If you are citing the following exemptions, please provide the additional information requested below. A more detailed explanation of these exemptions is attached.

- **Preserve and Protect the Public Health and Safety** – Describe how this purchase will preserve and protect the public safety of residents.
- **Sole Source** – Describe what patents, copyrights, secret processes, or natural monopolies exist. Attach a letter from vendor supporting the sole source. The letter must be on company letterhead and be signed by an authorized person in company management.
- **Personal Services** – Describe those services to be performed personally by the individual contracted to perform them.
- **Professional Services** – Describe what mainly mental or intellectual rather than physical or manual and/or disciplines requiring special knowledge or attainment and a high order of learning, skill, and intelligence are required to perform this service.
- **Planning Services** – Describe the services primarily intended to guide governmental policy to ensure the orderly and coordinated development of the state or of municipal, county, metropolitan, or regional land areas.
- **Critical Business Need** – Describe the procurement necessary to protect the competitive interests or position of Austin Energy.

Motorola Solutions is the only provider of the PremierOne Customer Service Request (CSR) system. This system is a proprietary system, and is not available from any resellers or other providers. The vendor has provided a letter attesting to this status.

4. Please attach any documentation that supports this exemption.
5. Please provide any evaluation conducted to support the recommendation. Include the efforts taken to ensure the selected vendor is responsible and will provide the best value to the City (Ex: evaluation of other firms, knowledge of market, etc).

Motorola Solutions' CSR system has been in use for managing citizen service requests and providing standardized information since 2004. The current system supports handling of requests from over 1 million calls and over 200,000 service requests annually. The current system has complex and interdependent connectivity with multiple citizen-facing portals, internal and public databases, and work systems for multiple city departments. These include an interfaced phone app and web site for citizen intake and updates, automated two-way data integration via city internal services with Maximo, Chameleon and Amanda software systems, a public web portal for open data with mapping and updates on over 250,000 service requests, and detailed service request processing for over 200 different types of requests with reporting, embedded geographic information, escalation and triage criteria and processes. Estimated costs and considerations to replace CSR with another CRM system would include \$2 million for implementation and \$ 1.5 million in personnel costs for training, implementation, testing, and transition support.

6. Because the above facts and documentation support the requested exemption, the City of Austin intends to contract with Motorola Solutions
which will cost approximately \$2,500,000.00 (Provide estimate and/or breakdown of cost).

Recommended Certification	<u>Cristi Perez</u>	<u>6/19/17</u>	
	Originator	Date	
Approved Certification	<u>Stephen G. Elkins</u>	<u>6/20/2017</u>	
	Department Director or designee	Date	
	<u>[Signature]</u>	<u>6/23/17</u>	
	Assistant City Manager / General Manager or designee (if applicable)	Date	
Purchasing Review (if applicable)	<u>[Signature]</u>	<u>6/29/17</u>	<u>JH</u>
	Buyer	Date	Manager Initials
Exemption Authorized (if applicable)	<u>[Signature]</u>	<u>6/29/17</u>	
	Purchasing Officer or designee	Date	

02/26/2013



MOTOROLA SOLUTIONS

April 5, 2017

Mr. Bill Starks, PMP
Vendor and Project Management
Austin 3-1-1
City of Austin, Texas

Mr. Starks:

The City of Austin is currently using the Motorola PremierOne CSR software solutions in the 3-1-1 center and across the City, which Motorola provides the cloud hosting, maintenance, support and services for these systems. This includes the following products/solutions:

- PremierOne CSR
- PremierOne CSR Contact Center
- PremierOne CSR Citizen Web Intake
- PremierOne CSR Citizen Mobile Apps including Open311 portal.
- PremierOne CSR Mobile

These products/solutions are proprietary to Motorola and we are the sole provider of these software products/solutions, the cloud hosting, the maintenance, support and services associated with the system. Motorola has not authorized any third parties to provide these products/solutions or the maintenance and support of the systems.

We look forward to our continued relationship with the City and please contact me if you have any questions or I can be of any assistance. You can reach me in the office at 770-505-1208 or via email at k.leverett@motorolasolutions.com.

Sincerely,

A handwritten signature in cursive script that reads "Kenny Leverett".

Kenny Leverett
National Sales Director, Public Service
Motorola Solutions, Inc.