

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL
Regular Meeting: April 12, 2018

Item Number: **019**

Purchasing Office

Authorize negotiation and execution of a multi-term contract with Leidos Cyber, Inc., to provide maintenance, support and training for existing Industrial Defender automated systems manager software, for up to five years for a total contract amount not to exceed \$528,000. (Note: Sole source contracts are exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of \$105,801 is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.
Purchasing Language	Sole Source.
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, Brett Hardy, at 512-322-6122 or Brett.Hardy@austinenergy.com .
Council Committee, Boards and Commission Action	March 19, 2018 - Recommended by the Electric Utility Commission on a 6-1 vote, with Commissioner Hadden against, Commissioners Reel and Wray absent and two vacancies.
Client Department(s)	

	Austin Energy.
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Additional Backup Information:

The contract is for maintenance, support and training for existing Industrial Defender automated systems manager (ASM) asset management software that enables efficient North American Electric Reliability Corporation (NERC) critical infrastructure protection (CIP) reporting for Austin Energy. The solution was designed from the ground up to isolate and identify assets that are in the control system footprint; the asset management function tracks changes to those assets and provides valuable insight when vulnerabilities emerge.

Industrial Defender ASM offers an advanced and comprehensive NERC CIP compliance solution that enables electric utilities to ensure compliance. Industrial Defender ASM automatically collects the necessary information across a diverse asset base, analyzes it, reports anomalies, and provides a turnkey solution to ease the compliance reporting burden.

Austin Energy originally purchased this software under its Advanced Distribution Management System contract with Telvent USA, LLC. The software was sold to Leidos Cyber, Inc. in August 2016. At this time, Leidos Cyber, Inc. owns all rights, title, and interest in and to the Industrial Defender ASM suite of software solutions and they do not have any authorized service providers for their tier three level of maintenance support required by Austin Energy.

Contract Detail:

Contract Term	Length of Term	Contract Authorization
Initial Term	1 yr.	\$134,742
Optional Extension 1	1 yr.	\$ 95,553
Optional Extension 2	1 yr.	\$ 97,358
Optional Extension 3	1 yr.	\$ 99,216
Optional Extension 4	1 yr.	\$101,131
TOTAL	5 yrs.	\$528,000

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