Recommendation for Council Action

AUSTIN CITY COUNCIL
Regular Meeting: August 23, 2018   Item Number: **030**

Purchasing Office

Authorize an amendment to the existing contract with Sirius Computer Solutions, Inc., to provide additional International Business Machines' software licenses, support, and related services, for an increase in the amount of $5,898,463, for a revised total contract amount not to exceed $18,225,143. (Note: This contract 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 contract, there were an insufficient number of M/WBEs; therefore, no subcontracting goals were established).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of $500,000 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	Contract Amendment.
Prior Council Action	May 18, 2017 - Council approved original contract, item 27, on an 11-0 vote.
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>or to the buyer, Debbie DePaul, at 512-322-6235 or debbie.depaul@austinenergy.com <mailto:debbie.depaul@austinenergy.com>.

Council Committee, Boards and Commission Action	August 13, 2018 - To be reviewed by the Electric Utility Commission.
Client Department(s)	Austin Energy.

Additional Backup Information:

In 2017, a contract was executed with Sirius Computer Solutions, Inc. to purchase International Business Machines (IBM) software, maintenance and support, and managed and professional services related to the use of IBM software products by Austin Energy. The products and services covered by the contract provide Austin Energy with software, consulting, installation, and customizations for the management of critical business applications and infrastructure systems. Applications and services provided under the contract includes utility asset and inventory management, customer-facing websites, web analytics, identity and access management for applications, software testing, security, training, application integration, web application platforms, and other business and technology processes.

Additional funding is needed for continued support, maintenance, upgrades and software compliance as well as for critical projects related to cybersecurity and other utility business operations. The initial request in 2017 included funding for software, maintenance and support, however, the amount necessary for services and new software purchases, including licenses, was inadequate. Consequently, the expenses required for critical business applications and infrastructure systems has exceeded the remaining authority. If this request is not approved, the support and maintenance services required to effectively manage Austin Energy's business applications and infrastructure systems will not be available.

The contract was executed under the State of Texas Department of Information Resources (DIR) cooperative purchase program. The DIR cooperative establishes competitively bid contracts that may be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts.

Contract Detail:

Contract Term	Length of Term	Current Contract Authorization	Requested Additional Authorization	Revised Total Authorization
Initial Term	3 yrs.	$12,326,680		$12,326,680
Proposed Amendment			$5,898,463	$ 5,898,463
TOTALS	**3 yrs.**	**$12,326,680**	**$5,898,463**	**$18,225,143**

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