



Recommendation for Action

File #: 19-1856, **Agenda Item #:** 35.

6/6/2019

Posting Language

Authorize an amendment to an existing cooperative contract with Freeit Data Solutions, Inc., to provide Fortinet products and services for the Supervisory Control and Data Acquisition/Energy Management System and Advanced Distribution Management System, for an increase in the amount of \$262,958 and to extend the term by two years, for a revised total contract amount not to exceed \$5,068,680.

(Note: This procurement 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 procurement, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding is available in the Fiscal Year 2018-2019 Capital Budget of Austin Energy.

Purchasing Language:

Contract Amendment.

Prior Council Action:

June 28, 2018 - Council approved the original contract, item 120, 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 Brett Hardy at 512-322-6122 or Brett.Hardy@austinenergy.com <<mailto:Brett.Hardy@austinenergy.com>>.

Council Committee, Boards and Commission Action:

May 13, 2019 - Recommended by the Electric Utility Commission on an 8-0 vote, with Commissioner Weldon off the dais and Commissioners Hadden and Stone absent.

Additional Backup Information:

The proposed amendment funding increase provides hardware, software, implementation, training, maintenance, and support services required for the Supervisory Control and Data Acquisition/Energy Management System (SCADA/EMS) and Advanced Distribution Management System (ADMS) upgrade. The authorization will allow for the purchase of Fortinet firewall products and services not included in the initial

contract award. The Fortinet firewalls will deliver functionality to conduct parallel testing, North American Energy Reliability Corporation (NERC) Critical Infrastructure Protections (CIP) regulatory requirement testing, which are critical phases for verifying production readiness. Furthermore, placement of these firewalls will provide an additional operational layer of separation and security from the corporate network as well as providing application control, state-full inspection, deep packet inspection, intrusion detection, anti-virus, and anti-malware for the control systems environments.

The Fortinet products added onto the contract will have an initial warranty/maintenance period of one year for the products built into the price along with an additional five years of maintenance and support for a total term of six years for these products and services. This results in a two year extension to the current term of the contract, which is already one year into its approved term.

The SCADA/EMS system is mission critical and essential for safely and reliably operating and managing the transmission and distribution system. The system is required to maintain compliance with NERC CIP. The ADMS is a critical utility system running automatic functions that improve distribution system reliability to enhance customer service and reliability while still reducing operating costs.

Both control system projects (SCADA/EMS and ADMS) are in the process of upgrading the hardware infrastructure to optimize performance and minimize the effort required to keep the hardware infrastructure maintained. The additional Fortinet products and services will support both projects.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	5 yrs.	\$4,805,722		\$4,805,722
Proposed Amendment	2 yrs.		\$262,958	\$ 262,958
TOTALS	7 yrs.	\$4,805,722	\$262,958	\$5,068,680

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