



Recommendation for Action

File #: 20-2444, **Agenda Item #:** 68.

7/29/2020

Posting Language

Authorize negotiation and execution of a multi-term contract with J.D. Power, to provide customer satisfaction and benchmarking studies for residential and business utility customers, for up to five years for a total contract amount not to exceed \$506,500.

(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.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$116,890 is available in the Fiscal Year 2019-2020 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 <<mailto:AgendaOffice@austintexas.gov>> or to Liz Lock, at 512-322-6251 or Liz.Lock@austintexas.gov <<mailto:Liz.Lock@austintexas.gov>>.

Council Committee, Boards and Commission Action:

July 17, 2020 - Recommended by the Electric Utility Commission on an 8-0 vote, with Commissioner Stone off the dais, Wray absent and one vacancy.

Additional Backup Information:

The contract will provide customer satisfaction and benchmarking studies for both residential and business utility customers. The studies include industry benchmarking surveys which compile customer satisfaction data from a scoring index.

J.D. Power is a leading global analytics and consumer insights company viewed as an industry-standard for customer satisfaction benchmarking. Austin Energy is focused on being customer driven and community focused. In order to further that mission, it is critical to understand J.D. Power's best practices and insights.

J.D. Power is the exclusive owner of all reports, data, and other information resulting from their utility industry studies. The contractor uses a proprietary customer satisfaction index model to provide an in-depth view of

customer attitudes, behaviors, and preferences which Austin Energy can use to target performance improvement initiatives that will increase overall customer satisfaction.

This is a new contract. Pricing includes annual studies for 2019 through 2024 as well as ongoing support services.

Contract Detail:

| <u>Contract Term</u> | <u>Length of Term</u> | <u>Contract Authorization</u> |
|-----------------------------|------------------------------|--------------------------------------|
| Initial Term | 2 yrs. | \$207,400 |
| Optional Extension 1 | 1 yr. | \$ 95,000 |
| Optional Extension 2 | 1 yr. | \$100,250 |
| Optional Extension 3 | 1 yr. | \$103,850 |
| TOTAL | 5 yrs. | \$506,500 |

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

Strategic Outcome(s):

Government that Works for All.