



Recommendation for Action

File #: 20-3613, **Agenda Item #:** 47.

12/10/2020

Posting Language

Authorize negotiation and execution of a multi-term contract with Alliant Insurance Services Inc., or the other qualified offeror to Request For Qualification Statements 5800 JSB4005, for citywide cyber liability insurance, for up to five years for a total contract amount not to exceed \$2,430,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Information Security Office; Human Resources Department.

Fiscal Note

Funding in the amount of \$291,667 is available in the Fiscal Year 2020-2021 Operating Budget of the Information Security Office. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued a Request for Qualification Statements (RFQS) 5800 JSB4005 for these and services. The solicitation issued on February 10, 2020 and it closed on April 14, 2020. Of the two offers received, the recommended contractor submitted the best evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134111)
<https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134111>.

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>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Marian Moore, at 512-974-2062 or Marian.Moore@austintexas.gov <<mailto:Marian.Moore@austintexas.gov>>.

Additional Backup Information:

The contract is for citywide cyber liability insurance, a type of insurance coverage not currently maintained by City departments other than Austin Energy. The coverage includes information security and privacy liability, privacy breach response services, regulatory defense and penalties, media liability, payment card liabilities and costs, cyber extortion payments and expenses, data recovery costs, business interruption loss, and dependent business loss from a dependent security breach. Standard exclusions apply, such as:

patent/trademark, pollution, property damage and exposures covered by other types of insurance.

An evaluation team with expertise in this area evaluated the offers and scored Alliant Insurance Services Inc. as the best to provide these services based on personnel qualifications and demonstrated applicable experience.

This request allows for the development of a contract with a qualified offeror selected by Council. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that another qualified offeror may be selected, authorizing new contract negotiations.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$ 350,000
Optional Extension 1	1 yr.	\$ 420,000
Optional Extension 2	1 yr.	\$ 500,000
Optional Extension 3	1 yr.	\$ 550,000
Optional Extension 4	1 yr.	\$ 610,000
TOTAL	5 yrs.	\$2,430,000

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

Strategic Outcome(s):

Government That Works for All.