

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	68984	Agenda Number	9.
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Meeting Date:	3/23/2017	Department:	Capital Contracting Office
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Subject

Authorize award and execution of a construction contract with MAJESTIC SERVICES INC., for the Austin Energy System Control Center Finish-Out Project, in the amount of \$927,000 plus a contingency of \$92,700, in an amount not to exceed \$1,019,700. (District 3)

Amount and Source of Funding

Funding is available in the Fiscal Year 2016-2017 Capital Budget of Austin Energy.

Fiscal Note

A fiscal note is attached.

Purchasing Language:	Lowest responsive bid of three bids received through a competitive Invitation for Bid solicitation.
Prior Council Action:	
For More Information:	Rolando Fernandez, 512-974-7749; Sarah Torchin, 512-974-7141; Paul Sanchez, 512-322-6323; Vince McGlone, 512-322-6420.
Council Committee, Boards and Commission Action:	February 27, 2017 - Recommended by the Electric Utility Commission on a vote of 9-0 with two Commission vacancies.
Related Items:	
MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) through the achievements of Good Faith Efforts with 10.08% MBE and 44.35% WBE participation.

Additional Backup Information

In 2012, most of Austin Energy's system operation units moved to its new System Control Center located at 2500 Montopolis Drive in Council District 3. Approximately 10,000 square feet of space remained for future growth. This construction contract will provide for the completion of office space renovation at the System Control Center.

The planned renovation project is needed to enhance the utility's operational efficiency and security while optimizing work space. It is designed to increase system reliability and employee satisfaction. The project will provide for the interior finish-out of approximately 10,000 square feet and allow Austin Energy to relocate three operational units from Town Lake Center to the System Control Center including the Remittance Processing, IT Security Operations, and IT Network Operations units.

The Remittance Processing Center is responsible for processing all checks received for utility payments through the

mail and all wire and automated clearinghouse payments from large commercial customers. This unit ensures all payment vendor files are received and uploaded daily. The Remittance Processing center requires 3,000 square feet for check processing equipment, a vault-security safe system, and workflow functionality. The relocation of this operational unit to the System Control Center will provide for the needed square footage requirements, increased customer volume and increased security.

The relocation of the Security Operations Center is necessary due to the rapid pace of changing technology and the risks of cyber threats. Moving the center to a larger space of 1,500 square feet will improve this unit's ability to anticipate and respond to threats, work more collaboratively, and share knowledge more effectively with other divisions located at the System Control Center. The Security Operations Center acts as a security monitoring, detection, and response hub for the entire enterprise, providing improved situational awareness of IT threats. This relocation will allow better management of incidents, ensuring they are properly identified, analyzed, communicated, actioned/defended, investigated, and reported. It allows for improved monitoring of applications used to identify possible cyber-attacks or intrusions, allows the unit to better determine whether an incident is real and malicious in intent, and provides for assessment of the incident's potential business impact.

The Network Operations Center will be relocated to a 6,000 square foot collaborative networking environment. This unit is responsible for monitoring many networks for certain conditions that may require special attention to avoid degraded service or decrease the time of outage and increase the mean time to recovery. In addition to monitoring internal and external networks and related infrastructure, it can monitor social networks to get a head-start on disruptive events as well as give Austin Energy the ability to collaborate with multiple business units in the event of a technical incident command implementation.

This project includes an allowance of \$107,000. This allowance will be used to address security guard services, a sound masking system, and a video wall framework. An allowance is an amount that is specified and included in the construction contract or specifications for a certain item(s) of work whose details are not yet determined at the time of bidding.

With this project, Austin Energy will continue to meet internal and external customer service demands as Austin's population and customer base continue to grow and communication systems and computer on-line systems are necessary to provide efficient service.

Due to the potential for corrections or modifications, a 10% contingency in funding has been included to allow for the expeditious processing of any change orders. A contingency is an additional amount of money added to the construction budget to cover any unforeseen construction costs associated with the project.

All work will be on Austin Energy property and will not have an impact on City residents.

A delay in the award of this contract could result in an inability to provide an adequate working environment for these high security utility operations and employees.

The contract allows 180 calendar days for completion of this project. This project is located within zip code 78741 (District 3). The project will be managed by Austin Energy.

Majestic Services Inc. is located in Austin, Texas.

Information on this solicitation is available through the City's Financial Services website. Link: [Solicitation Documents](#).