Recommendation for Council Action (Purchasing)

Austin City Council		**Item ID:**	69905	**Agenda Number**	22.

Meeting Date:	April 20, 2017
Department:	Purchasing

Subject

Authorize negotiation and execution of a 36-month contract with ORACLE AMERICA, INC., to provide Oracle Utilities software and services including maintenance and support, in an estimated amount of $8,465,350, with two 12-month extension options in an estimated amount of $2,515,175 for the first extension option, and $2,544,558 for the second extension option, for a total contract amount not to exceed $13,525,083.

Amount and Source of Funding

Funding in the amount of $2,046,418 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy. Funding for the remaining 31 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	Sole Source
Prior Council Action:	
For More Information:	Debbie DePaul, Procurement Specialist IV, 512-322-6235
Boards and Commission Action:	March 20, 2017 - Recommended by the Electric Utility Commission on a 6-0 vote, with Commissioners Hadden and Biedrzycki absent and with three vacancies.
Related Items:	
MBE / WBE:	This contract is exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established.

Additional Backup Information

The contract is for the purchase of Oracle Utilities brand software products, maintenance and support services, and other related services for Austin Energy (AE). The software portfolio facilitates the performance of many functions within the City including: generating bills for customers of the City's utilities, scheduling and dispatching of service orders to field personnel, and creating load profiles and conducting load analysis for financial analysis and planning.

The contract provides the ability to purchase new Oracle Utilities software products to meet the capacity needs of a growing number of City of Austin utility customers. It includes maintenance and support services for Customer Care and Billing (CC&B), Mobile Workforce Management, LodeStar, and other Oracle Utilities products and support services on an as-needed basis. Software maintenance and support services ensure that Oracle America Inc. is able to resolve any issues in time to prevent a loss of service and/or loss of revenue for the City's utilities.

This new contract represents the planned consolidation of multiple expiring Oracle Utilities software contracts to allow continued maintenance and support services for the Oracle Utility software portfolio. CC&B represents 95% of the contract, Mobile Workforce Management represents 3% of the contract, and the remaining 2% address all other Oracle Utilities products.

The City is contractually obligated to maintain support for these software systems as part of the CC&B managed services contracts. If the City was unable to enter into this contract, its utilities would be unable to perform functions necessary to serve customers.

Detail regarding the specific Oracle Utilities Software included in this contract:
Customer Care and Billing (CC&B) Since 2009, AE has used Oracle's CC&B to manage utility customer information, service connections and disconnections, meter reads, rates, monthly and special billing (for electric service, water and wastewater service, solid waste service, Clean Community fees, transportation user fees, and drainage fees), and related functions such as payment processing, collections, field activities, and meter management across multiple utilities.

AE utilizes CC&B for customer billing, and supports a range of customer billing and collections through multiple facility service operations including customer contact centers, pay stations, account management, credit management, and field activities. The current CC&B application is integrated with a number of other systems used to support reading meters, work management, and financial management. The following snapshot represents the system profile:
- Over 484,000 active customer accounts
- 2.4 million service agreements
- 22,229 bills processed each night
- Over 4,000 customer calls per day
- 21 billing cycles per month
- 900 concurrent users from 17 departments
- 92,576 paperless (e-Bill) customers
- 60,069 recurring ACH (auto-pay) customers

Mobile Workforce Management (MWM) Since 2009, AE has used Oracle Utilities MWM to manage routine utility field orders (service connections and disconnections for electric service, special billing meter re-reads, etc.); current diversion efforts; and construction work orders. The current MWM solution is integrated with a number of other systems used to support meter reads and billing, meter management, storm restoration, and business intelligence.

This application replaced labor intensive paper-based scheduling for field crews with automated mobile dispatch, resource scheduling and routing, and automatic vehicle location capabilities. The MWM:
- Automatically receives service orders from the CC&B;
- Provides scheduling/dispatching work to field crews with an automated mobile work management solution;
- Improves job tracking capabilities;

- Provides field crews with near real time enterprise information;
- Uses automated processes for work initiation, dispatching, scheduling, and work completion;
- Allows dispatchers and supervisors to locate and monitor field crews which will provide updated arrival times reschedule appointments, balance workloads, and manage emergencies more efficiently; and
- Alerts dispatchers to reported field crew safety issues.

ORACLE AMERICA, INC.

	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	36	$ 8,465,350	n/a	n/a
Extension Option 1	12	$ 2,515,175	n/a	n/a
Extension Option 2	12	$ 2,544,558	n/a	n/a
Total	60	$ 13,525,083	n/a	n/a