

Cooperative RCA

SUBJECT:

Authorize negotiation and execution of multi-term cooperative contracts with Oracle America, Inc. to provide Customer Care and Billing (CC&B) hosting and support services, for up to 17 months for a total contract amount not to exceed \$14,605,332.

MBE/WBE:

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: Financial Services Department

CLIENT DEPARTMENT: Austin Energy

FISCAL NOTE:

Funding in the amount of \$7,249,164 is available in the Fiscal Year 2022-2023 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

PURCHASING:

Multiple contractors within this cooperative purchasing program were reviewed for these goods and services. The Financial Services Department has determined this contractor best meets the needs of the department to provide the goods and services required at the best value for the City.

PRIOR COUNCIL ACTION:

FOR MORE INFORMATION CONTACT: Inquiries should be directed to Michelle Rocha, at 512-974-2261 or Michelle.Rocha@austintexas.gov

BOARD AND COMMISSION ACTION:

January 9, 2023 - To be reviewed by the Electric Utility Commission.

ADDITIONAL BACKUP INFORMATION (RCA BODY)

These contracts with Oracle America, Inc. are for Customer Care and Billing (CC&B) hosting and support services, future enhancements, and bill print.

The City of Austin Utilities' CC&B system handles billing for electricity, water, wastewater, solid waste, and other monthly fees for services to nearly 500,000 households and businesses. These contracts will utilize the remaining time available on the underlying cooperative contract, while Austin Energy starts the solicitation process for long-term contracts to support hosting services, allocate for future upgrades, enhancements, and licenses necessary to provide customers with expected self-service and communication features.

RECOMMENDATION FOR COUNCIL ACTION**CONTRACTOR: ORACLE AMERICA, INC**

The City of Austin's CC&B system installed in 2011 and upgraded in 2018, is the core system that interfaces with over one hundred fifty (150) City of Austin Utilities' applications. In addition to its billing functions, CC&B is used to receive and allocate customer requests to hundreds of employees across multiple city departments, support self-service customers solutions (DSS Portal), and allow for leveraging customer centric features in downstream applications.

Estimated costs for the various services include:

- Bill Print - \$2,688,000
- Data center hosting and support services - \$ 2,684,532
- Software managed services - \$ 7,792,800
- System enhancement services - \$1,440,000

While these new contracts will provide an extension of the current services, Austin Energy does anticipate receiving the following benefits:

- Continuation of a stable infrastructure
- Enhanced security services for protection of customer data
- Improved Service Level Agreements and Performance
- Leverage experts for additional enhancements and projects, such as increasing customer self-service and proactive communication features.

These contracts will continue to enhance overall functionality and services that will benefit the City and its customers by extending current technologies and management by product and industry experts.

The Texas Department of Information Resources cooperative establishes competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

Strategic Outcome: Government That Works for All.