



Recommendation for Action

File #: 23-1077, Agenda Item #: 15.

2/9/2023

Posting Language

Authorize negotiation and execution of a cooperative contract for customer care and billing software hosting and related support services with Oracle America, Inc., for a term of 17 months in an amount not to exceed \$14,605,332.

[Note: 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(s)

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 Language:

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.

For More Information:

Inquiries should be directed to Michelle Rocha, at 512-974-2261 or Michelle.Rocha@austintexas.gov [<mailto:Michelle.Rocha@austintexas.gov>](mailto:Michelle.Rocha@austintexas.gov).

Council Committee, Boards and Commission Action:

January 9, 2023 - Recommended by the Electric Utility Commission on a 7-0 vote with Commissioners Hopkins and Bowen absent and two vacancies.

Additional Backup Information:

The contract with Oracle America, Inc. is for customer care and billing (CC&B) software hosting, related support services, including 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. This contract will utilize the remaining time available on the underlying cooperative contract from the State of Texas's Department of Information Resources, while the Financial Services Department completes a new solicitation to establish a

long-term contract to continue the needed hosting services, future upgrades, enhancements, and licenses necessary to provide customers with expected self-service and communication features.

The City's CC&B system was installed in 2011 and upgraded in 2018 and is the core system that interfaces with over 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 this new contract 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

This contract 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 State of 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(s):

Government that Works for All.