Item 18
Water & Wastewater Commission: November 10, 2026
Council: November 19, 2026

Posting Language
Recommend approval to authorize a contract for Cloudflare security and disaster recovery virtual private network services, to maintain secure access to the disaster recovery environment if the primary data center fails, for Austin Water with Freeit Data Solutions Inc., for an initial term of one year in an estimated amount of $185,986 with up to four one-year extension options each in variable amounts for a total contract amount not to exceed $853,858. Funding: $185,986 is available in the Fiscal Year 2026-2027 Operating Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department
Austin Financial Services.

Client Department(s)
Austin Water.

Fiscal Note
Funding in the amount of $185,986 is available in the Fiscal Year 2026-2027 Operating Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.

Procurement Language:
Multiple cooperative purchase programs were reviewed for these services. Austin Financial Services determined this contractor best meets the needs of Austin Water to provide these services required for the City.

MBE/WBE:
Cooperative Agreement contracts are exempt from the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program); therefore, no subcontracting goals were established.

Council Committee, Boards and Commission Action:
November 10, 2026 - To be reviewed by the Austin Water and Wastewater Commission.

Additional Backup Information:
This contract will provide Cloudflare security and disaster recovery virtual private network services. The services enable Austin Water to maintain connectivity to its disaster recovery environment hosted in Microsoft Azure in the event of catastrophic failure of the City of Austin's co-located data center serving Austin Water, Austin Energy, and Austin Technology Services. Cloudflare is a critical component of Austin Water's disaster recovery infrastructure, enabling access to redundant servers and systems when the primary environment is unavailable.

This contract supports Austin Water's commitment to providing reliable water and wastewater services by ensuring continuity of critical technology systems during an emergency or catastrophic data center failure. This supports the City's goals of operational resilience, cybersecurity, emergency preparedness, and uninterrupted delivery of essential public services.

This is a new contract and does not replace an existing contract. The estimated contract authority is based on the anticipated cost of Cloudflare services necessary to maintain secure connectivity to Austin Water's disaster recovery environment, including ongoing service requirements throughout the contract term. These services are necessary to support continued access to critical systems should the primary data center become unavailable.

Cooperative associations, themselves or using a lead government, competitively solicit and award contracts that are eligible for use by other qualified state and local governments. Due to their substantial volumes, larger than any one government could achieve independently, cooperative contracts routinely include superior terms, conditions, and pricing. Use of cooperative contracts also results in lower administrative costs and time savings.

If this contract is not approved, Austin Water would lose access to its Microsoft Azure disaster recovery environment during a primary data center failure, disrupting critical business operations, including emergency repair response and service vehicle dispatch.

Contract Details:

Contract Term	Length of Term	Contract Authorization
Initial Term	1 year	$185,986
Optional Extension 1	1 year	$160,838
Optional Extension 2	1 year	$160,838
Optional Extension 3	1 year	$168,876
Optional Extension 4	1 year	$177,320
Total	**5 years**	**$853,858**

Note: Contract authorization amounts are based on the City's estimated annual usage and may be more or less in the initial term and in each exercised optional extension; however, the total contract amount will not exceed $853,858.