



# City of Austin

## Recommendation for Action

**File #: 25-1701, Agenda Item #: 19.**

**9/11/2025**

### **Posting Language**

Authorize a contract for the purchase of technology hardware, software, and services for all City departments through State of Texas Department of Information Resources cooperative program, during Fiscal Year 2025-2026 in an amount not to exceed \$10,000,000. Funding: \$10,000,000 is available in the Operating Budgets and Capital Budgets of various City departments.

### **Lead Department**

Financial Services Department.

### **Client Department(s)**

All City Departments.

### **Fiscal Note**

Funding is available in the Fiscal Year 2025-2026 Operating Budgets of various City departments.

Funding is available in the Capital Budgets of various City departments.

### **Purchasing Language:**

The State of Texas Department of Information Resources (DIR) contracts are cooperative contracts solicited by the State of Texas specific to information technology hardware, software, and services. DIR leverages the state of Texas' purchasing power to secure discounted pricing. Central Procurement staff reviews quotes from multiple contractors with DIR contracts to ensure the best value for the City. Best value determination includes price and contract terms as well as MBE/WBE/HUB inclusion.

### **MBE/WBE:**

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

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500.

### **Additional Backup Information:**

This authorization allows the City to procure time-sensitive technology solutions including hardware, software, and services through contracts solicited by the State of Texas Department of Information Resources (DIR) under its cooperative purchasing program, which offers competitively bid pricing. DIR contracts have historically included underutilized business subcontracting requirements. This is a cooperative agreement with the state to utilize their contracts, this is not a contract for specific services.

The current DIR authority will expire September 30, 2025. This contingency request for authorization is submitted to Council before the end of each fiscal year. In recent years, the City has effectively minimized the reliance on annual DIR authorizations by proactively planning and implementing master agreements when

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necessary. This strategy has improved transparency in IT-related purchases and has consistently reduced requested amounts year over year. Consequently, the requested funding will mainly be used to address urgent, time-sensitive needs.

The State of Texas Department of Information Resources is a cooperative purchasing association recognized under Texas procurement statutes. 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.

Without new authorization in place, it may be difficult for departments to purchase technology goods and services in a timely manner, potentially leading to delays in the ability to provide needed services to citizens.