



City of Austin

Recommendation for Action

File #: 26-1310, **Agenda Item #:** 5.

4/9/2026

Posting Language

Authorize a contract for Ciena Dense Wavelength Division Multiplexing products and services for Austin Energy with Netsync Network Solutions, Inc. for an initial term of two years with up to three one-year extension options for a total contract amount not to exceed \$2,000,000. Funding: \$90,373 is available in the Operating Budget of Austin Energy and \$1,000,000 is available in the Capital Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department

Austin Financial Services.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$90,373 is available in the Fiscal Year 2025-2026 Operating Budget of Austin Energy.

Funding in the amount of \$1,000,000 is available in the Capital Budget of Austin Energy.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Procurement Language:

The Financial Services Department issued a Request for Proposals RFP 1100 EAL3026 for these goods and services. The solicitation was published on July 28, 2025 and closed on September 16, 2025. Of the five offers received, the proposal submitted by the recommended contractor represented best value to the City based on the solicitation's evaluation criteria. A complete solicitation package, including a log of offers received, is available for viewing on the City's website. This information can currently be found at:

https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=142673.

MBE/WBE:

This contract will be awarded in compliance with the City Code Chapter 2-9B (Minority Owned and Women Owned Business Enterprise Procurement Program). For the goods and services required for this solicitation, there were no subcontracting opportunities; 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 or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Council Committee, Boards and Commission Action:

March 9, 2026 - Recommended by the Electric Utility Commission on a 10-0-1 vote with Commissioner Benavides recusing.

Additional Backup Information:

The contract is for Ciena Dense Wavelength Division Multiplexing (DWDM) technology. Austin Energy’s (AE) private fiber network connects many components of its critical infrastructure, including data centers, substations, and other facilities. Ciena’s DWDM technology allows the utility to significantly expand fiber capacity and deliver reliable, high-speed connectivity for critical operations such as Supervisory Control and Data Acquisition and datacenter traffic without costly or disruptive infrastructure expansion. DWDM is an optical fiber technology used to augment bandwidth by transmitting multiple data channels over a single fiber using different wavelengths of light.

The contractor will provide ongoing maintenance and support as well as products on an as needed basis. AE has utilized Ciena DWDM to augment network capacity for their corporate and data center facilities since 2021.

This contract will replace an existing contract which expires May 11, 2026. The recommended contractor is not the current provider for these goods and services. The contract estimate is based on AE’s current Ciena equipment install base as well as a replacement project planned for Fiscal Year 2027.

An evaluation team with expertise in this area evaluated the offers and scored Netsync Network Solutions, Inc. as the best to provide these services based on price, small business preference, local business preference, support, and company experience.

This request allows for the development of a contract with a qualified offeror selected by Council. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that another qualified offeror may be selected, authorizing new contract negotiations.

The resulting contract ensures future purchases of Ciena DWDM and timely annual renewal of products and services. Without these services, system reliability would be impacted for core AE operations.

Contract Details:		
Contract Term	Length of Term	Contract Authorization
Initial Term	2 years	\$1,200,000
Optional Extension 1	1 year	\$600,000
Optional Extension 2	1 year	\$100,000
Optional Extension 3	1 year	\$100,000
Total	5 years	\$2,000,000

Note: Contract Authorization amounts are based on the City’s estimated annual usage.