



City of Austin

Recommendation for Action

File #: 25-2049, **Agenda Item #:** 20.

10/23/2025

Posting Language

Authorize a contract for SUSE information technology management products and services for Austin Energy with SHI-Government Solutions Inc., for an initial term of three years with up to two 1-year extension options in an amount not to exceed \$2,050,000. Funding: \$357,729 is available in the Operating 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 \$357,729 is available in the Fiscal Year 2025-2026 Operating Budget of Austin Energy.

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

Procurement Language:

Multiple cooperative purchase programs were reviewed for these goods and services. Austin Financial Services and Austin Energy have determined this contractor best meets the needs of Austin Energy to provide these goods and services required for the City.

MBE/WBE:

Cooperative 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.

For More Information:

Direct questions regarding this Recommendation for Council Action to Austin Financial Services - Central Procurement at FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

Council Committee, Boards and Commission Action:

October 20, 2025 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

This contract is for the purchase of SUSE operating systems and services for Austin Energy. SUSE is an operating system based on Linux, similar in function to Windows but often used in specialized environments. It provides a stable and secure platform for running operational technology software applications. The Linux foundation of SUSE allows it to be highly customizable and purpose-built to meet specific user needs, such as those in critical infrastructure and industrial control systems. At Austin Energy, virtual machines that fall under federally-mandated reliability compliance requirements run on SUSE. The software will provide system

management solutions to automate, update, patch, and upgrade Linux servers. Additionally, SUSE virtual machines can be used to run multiple operating systems on a single host, helping to reduce overall costs. SUSE supports the technical and operational requirements for National American Electric Reliability Corporation -regulated entities by providing secure, hardened, and auditable Linux environments that align with the critical infrastructure protection standards.

This contract will replace an existing contract, expiring October 31, 2025. Shi-Government Solutions Inc. is the current provider of these goods and services.

The 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 this contract, Austin Energy will be unable to meet National American Electric Reliability Corporation compliance requirements.

Contract Details:		
Contract Term	Length of Term	Contract Authorization
Initial Term	3 years	\$1,150,000
Optional Extension 1	1 year	\$450,000
Optional Extension 2	1 year	\$450,000
Total	5 years	\$2,050,000

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