

TO: Board Members

THROUGH: Kevin Patteson, Executive Administrator
Les Trobman, General Counsel
Edna Jackson, Deputy Executive Administrator, Operations & Administration

FROM: Darrell Tompkins, Manager, Systems Security & Infrastructure

DATE: September 25, 2015

SUBJECT: Data Center Services Contract Amendment

ACTION REQUESTED

Consider approving an amendment to the original Data Center Services (DCS) contract. The proposed amendment extends the contract end date to August 31, 2017 and identifies the maximum cost for Fiscal Year 2016 at \$1,399,213.00 and maximum cost for Fiscal Year 2017 at \$1,301,090.00.

BACKGROUND

In 2005, the 79th Legislature passed HB 1516 directing the Department of Information Resources (DIR) to consolidate agencies' IT infrastructure in order to reduce statewide costs for IT services, modernize aging state infrastructure, and increase overall security and disaster recovery capability. The DCS program currently serves 32 state agencies, including TWDB, and has a target to consolidate 75% of the server environment by August 2016. TWDB has completed the consolidation of its servers into the Data Center. DCS fund requests to sustain our Data Center server environment will be a part of the budget process for future biennia and if approved, amendments to the original DCS contract will come to the Board for approval.

RECOMMENDATION

The Executive Administrator recommends the Board authorize the EA to execute approval of an amendment to the original DCS contract.

Attachment(s): Proposed second amendment to the Data Center Services contract

Our Mission	:	Board Members
To provide leadership, information, education, and support for planning, financial assistance, and outreach for the conservation and responsible development of water for Texas	:	Bech Bruun, Chairman Kathleen Jackson, Member
	:	Kevin Patteson, Executive Administrator

**SECOND AMENDMENT TO THE
INTERAGENCY CONTRACT
BETWEEN
THE TEXAS DEPARTMENT OF INFORMATION RESOURCES
AND
TEXAS WATER DEVELOPMENT BOARD
RELATING TO THE CONSOLIDATION OF DATA CENTER SERVICES
PURSUANT TO THE MASTER SERVICES AGREEMENT BETWEEN THE
TEXAS DEPARTMENT OF INFORMATION RESOURCES
AND
THE MULTISOURCING SERVICES INTEGRATOR AND SERVICE
COMPONENT PROVIDERS
DIR CONTRACTS NOS. DIR-DCS-MSI-MSA-001, DIR-DCS-SCP-MSA-002, AND
DIR-DCS-SCP-MSA-003**

This Second Amendment (Second Amendment) is to the Interagency Contract (the Contract) between the Texas Department of Information Resources (DIR) and the Texas Water Development Board (DIR Customer) (collectively, the "Parties") to the Consolidation of Data Center Services pursuant to the Master Services Agreement between Performing Agency and the Multisourcing Services Integrator and Service Component Providers.

RECITALS

WHEREAS, DIR and Service Providers entered into an agreement (Data Center Services Contracts) on or after December 28, 2011 with commencement of services scheduled to commence on May 1, 2012, as provided by First Amendment to the Data Centers Service Contracts;

WHEREAS, pursuant to Texas Government Code, Chapter 771, and in order to extend the services offered under the Data Center Service Contracts, DIR and DIR Customer entered into an Interagency Contract, effective May 1, 2012, in which an estimated not to exceed cost for Data Center Services was provided;

WHEREAS, a First Amendment was necessary to revise Section IV, Basis For Computing Reimbursable Costs And Payment For Service, regarding the billing dispute process, provide the estimated not-to-exceed charges for DIR Customer for the periods of September 1, 2013 through August 31, 2014 and September 1, 2014 through August 31, 2015 and allow for the ability to invoice for cloud services, originally procured through the Pilot Texas Cloud Offering, through the DCS Program.

WHEREAS, this Second Amendment is necessary to provide the estimated not-to-exceed charges for DIR Customer for the next two (2) fiscal years for period of

September 1, 2015 through August 31, 2016 and September 1, 2016 through August 31, 2017.

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Contract as follows:

1. Appendix 1 of this Second Amendment, Attachment A, Estimated Cost Amount, shall replace in its entirety and supersede all previous agreements related to Attachment A, Estimated Cost Amount, of the Interagency Contract.

Except as specifically amended herein, the Contract shall remain in full force and effect through its term.

IN WITNESS WHEREOF, the Parties have signed this Second Amendment effective on the date of the last party to sign.

RECEIVING AGENCY: TEXAS WATER DEVELOPMENT BOARD

By: _____

Printed Name: Kevin Patteson

Title: Executive Administrator

Date: _____

PERFORMING AGENCY: DEPARTMENT OF INFORMATION RESOURCES

By: _____

Printed Name: Todd Kimbriel

Title: Interim Executive Director

Date: _____

**Appendix 1 to Second Amendment of
Interagency Contract**

Attachment A
Estimated Cost Amount

Below are the estimated not to exceed costs for Services received from the Service Providers. Costs such as incremental network expenses, which are billed directly to or paid by the DIR Customer, are not included in these amounts.

For the period May 1, 2012 through August 31, 2012, the not to exceed amount is \$700,000.00.

For the period September 1, 2012 through August 31, 2013, the not to exceed amount is \$2,643,186.00.

For the period September 1, 2013 through August 31, 2014, the estimated not to exceed amount is \$1,904,460.

For the period September 1, 2014 through August 31, 2015, the estimated not to exceed amount is \$2,043,910.

For the period September 1, 2015 through August 31, 2016, the estimated not to exceed amount is \$1,399,213.

For the period September 1, 2016 through August 31, 2017, the estimated not to exceed amount is \$1,301,090.