**DEPARTMENT OF PUBLIC UTILITIES** **Ordinance. No. 598-2026**

**Division of Water and Cleveland Public Power**

## Request for Legislation

*An ordinance authorizing the Department of Public Utilities (DPU) to exercise the second-year option to renew Contract No. CT 2002-PS2024-277 with Kyndryl, Inc. to provide professional services for the Hosting and Hosting Support Services of DPU's Oracle Customer Care & Billing (CC&B) System, for the Divisions of Water and Cleveland Public Power, under Ordinance 534-2022.*

**Background/Purpose:**

The Department of Public Utilities (DPU) has contracted with Kyndryl, Inc. to host its Oracle Customer Care and Billing (CC&B) system. This system manages customer billing, meter reading, meter inventory, customer appointments, and related reporting. It is also integrated with a number of systems including Automated Meter Reading, Bill Printing, Electronic Bill Presentment and Payment and Cashiering. These services are specific to CC&B, requiring knowledge of CC&B implementations and may include support, troubleshooting, tuning, configuration, enhancements, upgrades, and the daily operations overseeing and monitoring the execution of batch jobs and processes. These services may also include other applications and activities related to CC&B, such as scheduling software, metering, reporting and interfaces. DPU also wishes to engage Kyndryl to provide help desk services to support the use of the application, the application itself, the software environment it operates in, and the hardware configuration of the hosting vendor. In addition to these core services, DPU anticipates that Kyndryl will participate and provide resources on various projects during the Agreement period.

All of the servers that are used to operate the CC&B system are owned, managed and maintained by Kyndryl, Inc. at their secure datacenter. The servers include the application servers, database servers, and web servers. The production, development, training, and testing environments all reside on these servers. Kyndryl, Inc. also provides and manages a disaster recovery site at another location. In addition to the physical hardware, Kyndryl, Inc. monitors the servers, manages the operating systems, and manages the databases.

**Scope of Work/Commodities/Services:**

The resultant extension of the contract for the one-year option to renew would continue Oracle CC&B Hosting and Hosting Support services from Kyndryl, Inc. under Contract No. CT 2002-PS2024-277.

**Justification/Urgency:**

CC&B is a mission critical system for DPU and must continue to operate reliably to be able to have up to date customer information and provide the ability to bill our customers. The CC&B application resides on the servers hosted by Kyndryl, Inc. The resultant one-year extension would continue Oracle CC&B Hosting and Hosting Support Services from Kyndryl, Inc. under Contract No. CT 2002-PS2024-277, and will need to be in place by August 31st, 2026, to ensure services continue uninterrupted.

**Anticipated Costs and funding source:**

Anticipated total cost for the one-year contract extension will be **$684,880**. Funds will be covered from the general operating funds from CWD Fund 52 Sub Fund 001 and CPP Fund 58 and Sub Fund 001.

**Schedule or Term of Contract:**

Legislation is to lead to a contract extension for the term of one (1) year.

**Current Contracts:**

| Vendor Information | Services/Work performed | Contract Info |
|---|---|---|
| Kyndryl, Inc.<br>One Vanderbilt Ave, Fifteenth Floor, NY, NY, 10017 | Hosting and Hosting Support Services of Oracle Customer Care & Billing (CC&B) system. | Contract #: CT 2002 PS2024-277<br>Awarded Amount: $1,176,000.00<br>Contract Exp Date: 9/3/2026 (unless additional City Council approval received) |

**Previous Contracts:**

| Vendor Information | Contract Info |
|---|---|
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| Kyndryl, Inc.<br>1439 Pintail Ct<br>Owosso, MI 48867 | Contract #: PS2021-184<br>Contract Total-to-date: $1,922,000.00<br>Contract Exp. Date: 4/30/22<br>As of September 1, 2021 – IBM Corporation contract# PS2019-125 re-assigned and novated to Kyndryl, Inc. under CT # PS2021-184. |
| IBM Corporation<br>10500 Cedar Avenue<br>Cleveland, OH 44106 | Contract #: PS2019-125<br>Contract Total-to-date: $1,575,000<br>Contract Exp. Date: 4/30/22<br>As of September 1, 2021 – IBM Corporation contract# PS2019-125 re-assigned and novated to Kyndryl, Inc. under CT # PS2021-184. |
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