

ITEM #: 18  
DATE: 10-08-24  
DEPT: ELEC

**COUNCIL ACTION FORM**

**SUBJECT:           OUTAGE MANAGEMENT SYSTEM (OMS) AND COMMUNICATIONS  
SUPPORT FOR ELECTRIC SERVICES**

**BACKGROUND:**

The Electric Services Department uses a computerized Outage Management System (OMS) with Interactive Voice Response (IVR) and Communications Support (texting, and customer outage alerts) that integrates with the OMS to perform automated alerts and text messaging. The OMS is used to handle electric outage calls, pinpoint system problems, aid in crew dispatch, and communicate via text messaging with Electric Services customers. It is crucial to have an up-to-date system to assure quick, reliable response to customer outages and other customer concerns. This software was originally purchased in 2011 and has been a critical asset to the department and to all the Electric Services customers with improved response times to power outages and system reliability. Electric Services also utilizes Milsoft Utility Solutions for Engineering Analysis for performing system studies. All Milsoft products are designed and maintained by Milsoft Utility Solutions, Abilene, TX.

Previously, these services have been purchased and invoiced separately with OMS and Communications services billed monthly and the Engineering Analysis products billed annually. The current agreement for OMS expired on June 30, 2024. The City has agreed upon a short contract to bridge the time between July 1, 2024 to December 31, 2024. Milsoft has offered a renewal to combine these services, for the period of January 1, 2025 through June 30, 2029, with no annual increase. This change only modifies the billing method and fixes annual costs to current rates through the end of 2029. Milsoft is the most practical and cost-effective vendor to provide this needed service. **Staff is requesting that the City Council waive the City's purchasing policies requiring formal competitive bids and award a five-year contract to Milsoft Utility Solutions, Abilene, TX, in the amount of \$252,686.39 (inclusive of sales tax), paid on a yearly basis.**

**EXPLANATION OF FEES AND PAYMENT**

Year 1: January 1, 2025 - June 30, 2025: \$28,076.27  
Year 2: July 1, 2025 - June 30, 2026: \$56,152.53  
Year 3: July 1, 2026 - June 30, 2027: \$56,152.53  
Year 4: July 1, 2027 - June 30, 2028: \$56,152.53  
Year 5: July 1, 2028 - June 30, 2029: \$56,152.53

**The City Council is being asked to approve a five-year agreement, billed on a yearly basis rather than a one-year contract with renewal options. A new purchase order, and payment request will be issued each fiscal year. The agreement contains a non-appropriation clause that allows the City to cancel if funds are not appropriated in future City budgets.**

The FY 2024/25 Electric Distribution budget includes \$58,827 for maintaining OMS and Communications software support. The FY 2024/25 Electric Engineering budget includes \$8,300 for Engineering Analysis software support. This software is proprietary, and the support can only be provided by Milsoft Utility Solutions, the original software creator. Therefore, waiving the City's

purchasing policy will be required for a single source purchase of this service.

**ALTERNATIVES:**

1. Waive the City's purchasing policy requirement for formal bidding procedures and award a five year contract for support services for Computerized Outage Management System to Milsoft Utility Solutions, Abilene, TX in the amount of \$252,686.39 (inclusive of Iowa sales tax).
2. Do not approve the contract.

**CITY MANAGER'S RECOMMENDED ACTION:**

It is critical for Electric Services staff to have an up-to-date system to assure quick reliable response to customer outages and other customer concerns. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

**ATTACHMENT(S):**

[Milsoft 5 yr plan support costs.pdf](#)

[Q53400\\_City of Ames\\_Support 5 yrs\\_Comm,OMS,EAincWM,LT,LB,CT\\_signed by AT.Milsoft.pdf](#)