



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: June 8, 2026

SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Open Systems International, Inc., for continued maintenance and support of the Supervisory Collection and Data Acquisition (SCADA) system for Denton Municipal Electric, which is the sole provider of this software, in accordance with Texas Local Government Code 252.022, which provides that procurement of commodities and services that are available from one source are exempt from competitive bidding, and if over \$50,000, shall be awarded by the governing body; providing for the expenditure of funds therefor; and providing an effective date (File 9041 – awarded to Open Systems International, Inc., in the three (3) year not-to-exceed amount of \$791,693.00).

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Enhance Infrastructure and Mobility.

INFORMATION/BACKGROUND

Since 2008, Denton Municipal Electric (DME) has used Open System International's (OSI) Monarch product for several critical operations. OSI Monarch is a control system that enables utilities to support, monitor, control, schedule, and optimize complex network operations, which include:

1. The monitoring and operation of its electric substations via a Supervisory Control and Data Acquisition (SCADA) system operated from its transmission & distribution (T&D) and Control Centers.
2. The facilitation of the purchase of electricity with energy market bid submittals to the Electric Reliability Council of Texas (ERCOT).
3. The sharing of electric load and grid operation data with ERCOT and other third parties through Inter-Control Center Communications Protocol (ICCP).

This contract provides continued maintenance and support for the SCADA system with OSI for an additional three years. The Maintenance and Support package includes essential bug fixes, security updates required for North American Electric Reliability Corporation Critical Infrastructure Protection (NERC CIP) compliance, major feature enhancements, troubleshooting services, and archiving and reporting capabilities. Renewing the sole-source contract with OSI for ongoing maintenance, support, and patch management of this critical application is vital to the reliability and security of the electric system. Monarch Support (T&D) is the maintenance and support of the Transmission and Distribution SCADA system. Monarch Support (GMS) is the maintenance and support of the Generation Management System SCADA

system. Monarch Support (Patch) is the support system that allows us to patch the software on all SCADA systems.

	FY 26-27	FY 27-28	FY 28-29	Total
Monarch Support (T&D)	\$97,470.00	\$104,293.00	\$111,593.00	\$313,356.00
Monarch Support (GMS)	85,406.00	91,385.00	97,782.00	274,573.00
Monarch Support (Patch)	50,939.00	54,505.00	58,320.00	163,764.00
Contingency				40,000.00
Total				\$791,693.00

Section 252.022 of the Local Government Code provides that procurement of sole source commodities and services are exempt from competitive bidding, and if over \$50,000, shall be awarded by the governing body.

RECOMMENDATION

Award with a contract to Open Systems International, Inc., as a sole source supplier, for continued maintenance and support of the Supervisory Collection and Data Acquisition (SCADA) system for Denton Municipal Electric, in a three (3) year not-to-exceed amount of \$791,693.

PRINCIPAL PLACE OF BUSINESS

Open Systems International, Inc.
Medina, MN

ESTIMATED SCHEDULE OF PROJECT

This is a three (3) year contract.

FISCAL INFORMATION

These services will be funded from Denton Municipal Electric Operating Budget account 600750.7899. Requisitions will be entered on an as-needed basis. The budgeted amount for this item is \$791,693.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Ordinance and Contract

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Jerry Looper, 940-349-7676.

Legal point of contact: Leah Bush at 940-349-8333.