

July 10, 2018

COUNCIL OF THE CITY OF FORT COLLINS, COLORADO

Council-Manager Form of Government

Adjourned Meeting – 6:00 PM

● ROLL CALL

PRESENT: Martinez, Stephens, Summers, Overbeck (Remote), Troxell, Horak

ABSENT: Cunniff

Staff present: Atteberry, Daggett, Coldiron

1. **First Reading of Ordinance No. 093, 2018, Appropriating Prior Year Reserves in the Light and Power Fund, the Water Funds, the Wastewater Fund and the Storm Drainage Fund for the Utilities Customer Information Billing System Project. (Adopted on First Reading)**

The purpose of this item is to appropriate \$6,297,001 to purchase a Customer Information System with an Operational Support System (CIS/OSS) for electric, water, wastewater, stormwater and broadband billing services, replacing the 18-year old billing system. The CIS/OSS is the billing system that will collect revenues for utility and broadband services, serving as the accounting ledger for Utilities revenue, which currently generates over \$200 million in annual total revenue through an average of 80,000 monthly utility bills and service requests for residential and commercial customers.

The CIS/OSS will be the system interface customers rely on for accurate utility and broadband billing that includes a robust customer self-service platform that will assist customers towards understanding interval utility usage and costs in order to make energy and water conservation/efficiency investments.

Staff has completed the robust Request for Proposal (RFP) process for a comprehensive integrated CIS/OSS solution and selected a vendor that will provide the solution with the following key technology deliverables:

- *delivering timely and accurate customer utility and broadband bills*
- *providing customer web-portal interfaces for utility and broadband services*
- *maintaining accurate customer contact information*
- *processing customer payments and service requests*
- *supporting exceptional customer service experience through on-line services*
- *increasing operational efficiency with advanced metering infrastructure*
- *providing enhanced rate, product, payment and service offerings*
- *automating Broadband service provisioning; and*
- *including mobile workforce management functionality to enhance field services*

Mike Beckstead, Chief Financial Officer, stated this billing system and operating system would cover all of the City's utilities, including broadband. Staff is still in negotiations with the preferred vendor, but this item would appropriate funds to meet the broadband timeline needs.

Lisa Rosintoski, Deputy Director of Utilities, discussed the cyber security, self-service capability, state-of-the-art technology, and configurable bill formats of the operating system.

Beckstead stated both vendor finalists were brought in for two days to demonstrate how systems provide functionality. Significant reference checking was completed with the preferred vendor. The cost is \$9.5 million for the implementation and transition team, \$6.3 million of which is in this appropriation.

Rosintoski outlined the proposed timeline for the operating system rollout and its convergence with the broadband rollout.

Councilmember Stephens asked if broadband customers will receive a separate bill or if all items will be on one utility bill. Beckstead replied the intent is to have a single bill for all Fort Collins utilities.

Mayor Troxell asked if there is a hardware component to this change. Dan Coldiron, Chief Information Officer, replied this budget includes a full implementation of the hardware and database infrastructure, including disaster recovery.

Councilmember Martinez asked if the preferred vendor is an American company. Beckstead replied it is an American company; however, their development operations are in South America. Fort Collins would be its first North American client.

Mayor Pro Tem Horak asked if these expenditures are in the capital plans for each utility. Beckstead replied in the affirmative.

Councilmember Martinez asked if the software is being designed outside of the United States. Beckstead replied its development office is in Latin America, which is typical for software companies. The agreement would be with a United States registered company.

Councilmember Martinez asked if the foreign status could provide legal difficulties. City Attorney Daggett replied there are a lot of issues with these contracts related to responsible parties and providing protections for the City in terms of subcontractors.

City Manager Atteberry noted the other final vendor is a non-United States company as well. He stated there are safeguards in the contract and he could provide those under confidential cover.

Mayor Pro Tem Horak asked why the appropriation ordinance is being heard prior to signing a contract. Beckstead replied the broadband timing necessitates having the billing system up and running; therefore, the negotiations need to be complete and the contract needs to be signed by July 27.

Councilmember Overbeck asked how long staff has been searching for vendors. Beckstead replied the RFP for a vendor that could handle all five utilities was issued in February. Rosintoski replied the City partnered with a vendor to look at the scope of available comprehensive solutions in 2016.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Overbeck, to adopt Ordinance No. 093, 2018, on First Reading.

Mayor Pro Tem Horak stated he would support the item on First Reading but expressed concern there was no additional information on the capital budgets. He asked whether the City would be receiving some type of benefit for being the first customer in the United States.

City Manager Atteberry stated billing systems are often not seen by the public and this system will bill \$200 million annually; therefore, it is important for this system to be done properly.

Councilmember Martinez stated he would support the motion cautiously given his concerns about being the first United States customer and his questions about how to hold the company accountable.

Mayor Troxell stated he would support the motion and discussed the importance of the successful completion of the project.

Councilmember Stephens expressed the importance of making the bills easier to understand and preemptively educating citizens on the new bill format.

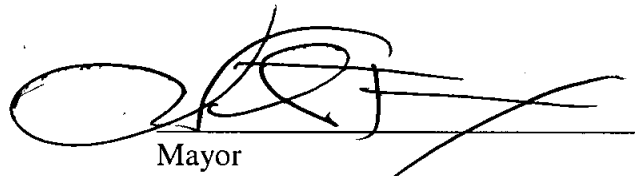
RESULT:	ORDINANCE NO. 093, 2018, ADOPTED ON FIRST READING [UNANIMOUS]
MOVER:	Gerry Horak, District 6
SECONDER:	Bob Overbeck, District 1
AYES:	Martinez, Stephens, Summers, Overbeck, Troxell, Horak
ABSENT:	Cunniff

● **OTHER BUSINESS**

Councilmember Martinez commented on the Police Services report on issues with transient residents. He stated more dynamic solutions need to be considered.

● **ADJOURNMENT**

The meeting adjourned at 6:28 PM.


Mayor

ATTEST:


City Clerk

