September 1, 2026

AGENDA ITEM SUMMARY
City Council

STAFF

Joe Wimmer, Utilities Finance Director

SUBJECT

First Reading of Ordinance No. 111, 2026, Appropriating Prior Year Reserves and Authorizing Transfers of Appropriations in Support of the Utilities Customer Information Systems Project and Integrated Maximo Asset Management System Project.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate supplemental funding within the respective Utilities Fund for an extension of the Utilities Customer Information Systems (“CIS”) Project and integrated Maximo Asset Management System Project.

Fort Collins Utilities is evaluating extending the software go-live date for the implementation of the new Utilities CIS. While replanning efforts are underway to determine an exact date, the project is recommended to be extended into the spring of 2027 for full system readiness and allow for comprehensive product development and testing. Consequently, this project requires additional budget appropriations to cover the extended project duration through 2026.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

The Utilities CIS project is a strategic initiative to replace our aging legacy billing system, Banner, with a modern, cloud-based CIS. This transition is essential for maintaining financial accuracy, improving operational efficiency, and meeting service expectations of Utilities customers. The present system, Banner, was implemented in November 2000.

The current CIS replacement project (the “CIS Project”) was started in October 2023 with an original budget of $13,950,000 and initial go-live date of May 2025. To date, the project has operated within its original budget while facing multiple delays and launch date changes, including an upcoming go-live date change past the now-outdated target of October 19, 2026. Staff and the software vendor are underway on intensive replanning effort to determine a proper go-live date target for 2027.

To keep the CIS Project on track through 2026, a supplemental appropriation is needed for fiscal year 2026, while an additional project appropriation will be planned as part of the City Manager’s Recommended 2027/2028 budget for the required extension into 2027. The supplemental appropriation will include project costs in addition to operating budgets for the extension of multiple legacy systems to continue operations until the new system cutover.

The 2026 CIS Appropriation Request:

Monthly Subscription Fees (new & legacy)	$579,595
Project Management, Training, Testing Support	$230,000
Third Party Integration Support	$235,712
Product Change Requests	$49,000
Marketing & Communications	$100,000
Remaining Project Budget Contingency	($503,462)
Total	**$690,845**

Maximo Asset Management Software is an established, multi-year utility software modernization project which will enable Utilities to proactively and more accurately track, manage, and maintain infrastructure assets.

The Maximo system will be integrated with the new CIS to enable the exchange of meter data and asset information between the two systems. Without a system integration, entering manual information within the systems would introduce risk to the accuracy of customer service data and inefficiencies to field operations processes.

The $701,303 appropriation request for Maximo is primarily driven by accelerating this project timeline to align with the CIS deployment. Alternatively, these project phases would have been scheduled for incorporation into the 2027/2028 Utilities Capital Improvement Plan.

Maximo Project Appropriation Request:

Maximo Upgrade/ Vertex Integration / Water Meters	$465,276
Mobile Solution	$181,327
Project Management Services	$54,700
Total	**$701,303**

Transfer of Existing Appropriations from the CIS Capital Project to the Utility Customer Services and Administration Fund ("CS&A") 2026 Lapsing Operational Budget

The CIS Project includes different types of cost categories, including consulting services for organizational change management and training of City personnel. Based on these costs not being capitalizable with respect to generally accepted accounting principles, this Ordinance also serves to transfer appropriations in the CIS Project to CS&A's 2026 lapsing operational budget. This will support proper financial reporting of capital versus non-capital costs. The transfer of existing appropriations within the CIS project includes:

- $1,063,892 for organizational change management costs; and
- $377,502 for training of City personnel for operating the new Utilities CIS.

CITY FINANCIAL IMPACTS

Fund Appropriation Summary: The CIS Project budget and associated lapsing operating budget are accounted for within Utilities CS&A Fund.

This item appropriates $690,845 in additional costs to support the CIS Project from:

- $212,045 in Utilities CS&A Fund reserves into the CIS Project budget; and
- $478,800 in Utilities CS&A Fund reserves into the 2026 operational (lapsing) budget of Utilities CS&A fund.

To support proper financial reporting of all existing costs associated with the CIS Project – capitalizable v. non-capitalizable, this item transfers $1,441,394 in existing appropriations in the CIS Project to Utilities 2026 operational (lapsing) budget as follows:

- $1,063,892 for organizational change management services; and
- $377,502 for training of City personnel in use of the new Utilities CIS.

The Maximo project budget is accounted for within each of the respective Utilities funds – Light & Power Fund, Water Fund, Wastewater Fund and the Stormwater Fund. Operation costs are accounted for in Utilities CS&A Fund.

This item also appropriates $701,303 in costs to support the Maximo project from:

- $443,694 in Water Fund reserves into the Maximo project budget;
- $166,152 in Wastewater Fund reserves into the Maximo project budget;
- $66,457 in Stormwater Fund reserves into the Maximo project budget; and
- $25,000 in Utilities CS&A Fund reserves into Utilities CS&A Fund 2026 operational (lapsing) budget

Fund reserves are available for the above respective appropriations, with each fund projected to end 2026 above the City's fund reserve target.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

Energy Board and Water Commission agenda items for updates on the project will be scheduled after a new go-live date is determined.

PUBLIC OUTREACH

There is no CIS public outreach related to the appropriation request, however, there is an extensive draft communications plan to reach customers regarding the new portal.

ATTACHMENTS / LINKS

1. Ordinance No. 111, 2026