

ORDINANCE NO. 096, 2023
 OF THE COUNCIL OF THE CITY OF FORT COLLINS
 APPROPRIATING PRIOR YEAR RESERVES AND AUTHORIZING
 TRANSFERS OF APPROPRIATIONS IN MULTIPLE UTILITY FUNDS FOR
 THE PURCHASE OF VENDOR SERVICES TO SUPPORT THE
 REPLACEMENT OF THE CITY’S UTILITIES BILLING SYSTEM

WHEREAS, twenty-two years ago, the City began operating the current Banner software based customer information and billing system (“CIS”) to manage the City utility customer billing and account services for the City’s electric, water, wastewater, and stormwater utilities; and

WHEREAS, since implementing the Banner CIS, Utilities staff have identified functionality and capabilities that are needed to modernize operations, improve billing accuracy, and better manage City rate and efficiency programs and services; and

WHEREAS, in October 2022, the City issued RFP #9659 to solicit proposals for a new Customer Information System – Customer Self Service Portal (“CIS-CX”) solution, the proposal submission period for which closed on December 2, 2022 (“RFP #9659”); and

WHEREAS, based upon Utilities (Billing, Customer Service, and Metering), IT and Purchasing staff review of the RFP responses and selection of a CIS-CX solution provider, the costs to implement a replacement system have become better understood; and

WHEREAS, Utilities and Purchasing staff initially identified a total of \$4,250,000 for supplemental appropriation to address costs in the first phase of the CIS-CX development and implementation, which amount Council appropriated on April 4, 2023, under Ordinance No. 036, 2023; and

WHEREAS, staff has since identified the CIS-CX Vendor of Choice, and is negotiating preliminary terms of the contract with the Vendor sufficient to determine the additional amount of investment needed to successfully deploy a modern CIS-CX; and

WHEREAS, based on those discussions with the Vendor, staff has identified an additional \$9,700,000 recommended for supplemental appropriation to address the following direct costs:

Software as a Service Implementation	\$3,250,000
Software Licensing through Implementation	\$2,400,000
Organizational Change Management (OCM)	\$1,500,000
Testing Protocol Development and Management	\$ 900,000
Training Development and Initial Training	\$ 900,000
<u>Business Process Analysis and Alignment</u>	<u>\$ 750,000</u>
Total	\$9,700,000;

and

WHEREAS, this proposed appropriation will benefit the public health, safety and welfare of the residents of Fort Collins and serve the utility purpose of enhancing the accuracy, functionality, and convenience of Utility ratepayer billing, as well as improve ratepayer access to consumption records, building utility utilization data, and customer service; and

WHEREAS, Article V, Section 9 of the City Charter permits the City Council, upon the recommendation of the City Manager, to make supplemental appropriations by ordinance at any time during the fiscal year such funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated; and

WHEREAS, the City Manager has recommended the appropriation described herein and determined that this appropriation is available and previously unappropriated from the Light and Power Fund, Water Fund, Wastewater Fund, and the Stormwater Fund and will not cause the total amount appropriated in the Light and Power Fund, Water Fund, Wastewater Fund, or the Stormwater Fund, as applicable, to exceed the current estimate of actual and anticipated revenues and all other funds to be received in these funds during this fiscal year; and

WHEREAS, Article V, Section 10 of the City Charter authorizes the City Council, upon recommendation by the City Manager, to transfer by ordinance any unexpended and unencumbered appropriated amount or portion thereof from one fund or capital project to another fund or capital project, provided that the purpose for which the transferred funds are to be expended remains unchanged, the purpose for which the funds were initially appropriated no longer exists, or the proposed transfer is from a fund or capital project in which the amount appropriated exceeds the amount needed to accomplish the purpose specified in the appropriation ordinance; and

WHEREAS, the City Manager recommends transfer of the following amounts from the respect utility enterprise funds and has determined that the purpose for which the transferred funds are to be expended remains unchanged:

Light and Power	(50%)	\$4,850,000
Water	(25%)	\$2,425,000
Wastewater	(12.5%)	\$1,212,500
<u>Stormwater</u>	(12.5%)	<u>\$1,212,500</u>
	Total	\$9,700,000;

and

WHEREAS, Article V, Section 11 of the City Charter authorizes the City Council to designate in the ordinance when appropriating funds for a capital project, that such appropriation shall not lapse at the end of the fiscal year in which the appropriation is made, but continue until the completion of the project; and

WHEREAS, the City Council wishes to designate the appropriation herein for the purchase of vendor services to support the upgrade of the Utilities CIS as an appropriation that shall not lapse until the completion of the project.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That there is hereby appropriated from prior year reserves in the Light and Power Fund the sum of FOUR MILLION EIGHT HUNDRED FIFTY THOUSAND DOLLARS (\$4,850,000) to be expended in the Light and Power Fund for transfer to the Utility Customer Service and Administration Fund and appropriated therein for expenditure for the purchase of all vendor services needed to replace the City's utilities billing system as proposed and described in RFP #9659.

Section 3. That there is hereby appropriated from prior year reserves in the Water Fund the sum of TWO MILLION FOUR HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$2,425,000) to be expended in the Water Fund for transfer to the Utility Customer Service and Administration Fund and appropriated therein for expenditure for the purchase of all vendor services needed to replace the City's utilities billing system as proposed and described in RFP #9659.

Section 4. That there is hereby appropriated from prior year reserves in the Wastewater Fund the sum of ONE MILLION TWO HUNDRED TWELVE THOUSAND FIVE HUNDRED DOLLARS (\$1,212,500) to be expended in the Wastewater Fund for transfer to the Utility Customer Service and Administration Fund and appropriated therein for expenditure for the purchase of all vendor services needed to replace the City's utilities billing system as proposed and described in RFP #9659.

Section 5. That there is hereby appropriated from prior year reserves in the Stormwater Fund the sum of ONE MILLION TWO HUNDRED TWELVE THOUSAND FIVE HUNDRED DOLLARS (\$1,212,500) to be expended in the Stormwater Fund for transfer to the Utility Customer Service and Administration Fund and appropriated therein for expenditure for the purchase of all vendor services needed to replace the City's utilities billing system as proposed and described in RFP #9659.

Section 6. That the appropriation herein for the purchase of vendor services to support the replacement of the City's utilities billing system as proposed and described in RFP #9659 is hereby designated, as authorized in Article V, Section 11 of the City Charter, as an appropriation for a capital project that shall not lapse at the end of this fiscal year but continue until the completion of the project.

Introduced, considered favorably on first reading and ordered published this 18th day of July, 2023, and to be presented for final passage on the 15th day of August, 2023.

Mayor

ATTEST:

Chief Deputy City Clerk

Passed and adopted on final reading this 15th day of August, 2023.

Mayor

ATTEST:

Chief Deputy City Clerk