



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 6a

Title:	Recommend approval of an agreement with Harris Computer Systems for NorthStar Customer Information Systems and Billing software, implementation services, and cloud hosting for a not-to-exceed cost of \$887,010.
Presenters:	Larry Gunderson, Director of Information Systems

Meeting: Government Operations Committee Date: April 18, 2022

Proposed Cost: \$887,010	Budgeted Amount: \$886,743	Not Budgeted: <input type="checkbox"/>
--------------------------	----------------------------	--

Executive Summary *(if not budgeted please explain):*

The City’s existing Utility Billing and Customer Information System (UB/CIS) software used to bill and collect payment for customer utility usage (electric, water, wastewater and refuse collection) was originally developed and implemented in the 1980s. The system no longer meets the needs of the City and needs to be replaced.

With the assistance from our consulting partner Plante Moran, an RFP was developed and released to the vendor community. NorthStar Utilities was chosen through a comprehensive RFP selection process. Through their RFP response, and subsequent demonstrations and reference interviews, NorthStar Utilities demonstrated experience and expertise in critical areas necessary for the City.

The City is planning on implementing the NorthStar system in a cloud-based, externally hosted environment. The costs for implementation, software and one year of support and hosting services is \$887,010.

Attachments *(please list):*

Utility Billing System Vendor Selection

Recommendation/Suggested Action *(briefly explain):*

Staff recommends approval of an agreement with Harris Computer Systems for NorthStar Customer Information Systems and Billing software, implementation services, and cloud hosting for a not-to-exceed cost of \$887,010.



Memo

Date: April 11, 2022
To: Ald. Ronald Silkaitis
Chair of the Government Operations Committee
From: Larry Gunderson, Director of Information Systems
Michael Drake, Information Technology Program Manager
Re: Utility Billing/Customer Information System Vendor Selection

Purpose

This memorandum outlines the goals, objectives and process for entering into an agreement with Harris Computer Systems for NorthStar Customer Information Systems (CIS) and Utility Billing Software to replace the City's current Utility Billing system.

Background

The software used by the City to bill and collect payment for customer utility usage (electric, water, wastewater and refuse collection) was originally developed and implemented in the 1980s. The system no longer meets the needs of the City as its requirements have evolved over the last 30 years. In addition, the software vendor ceased business operations, and the City has assumed support and enhancement responsibilities. As a result, the UB/CIS system is at end-of-life and in need of replacement.

Vendor Selection Process

The City, with assistance from our consultant partner Plante Moran, developed and released an RFP to the vendor community. The scope of solutions requested in the RFP included Utility Billing, Core Financials, Human Resources, Payroll, Enterprise Asset Management, and Community Development Software. Prior to reviewing any proposal responses, weighted scoring criteria were developed to ensure evaluation consistency among responses.

Six utility billing responses were received. Each proposal was scored by a six-member evaluation team using a weighted scoring criteria. The evaluation team consisted of representatives from the Finance, Public Works, Human Resources, Community Development, and Information Systems departments.

After the completion of the proposal scoring, a short-list of the top three responders was developed. Each short-listed proposer participated in a series of online demonstrations. The demonstrations offered team members, as well as other subject matter experts, an opportunity to ask further questions and to gain additional insights into the experience and expertise of each vendor. Upon conclusion of the demonstrations, reference calls were conducted with two of the short-list vendors. Finalist evaluation criteria included:

- Functionality and usability (40%)
- Service and support (25%)
- Costs (20%)
- Technical requirements (15%)

Final scoring for the Utility Billing application was as follows:

Vendor	Score
NorthStar Utilities	78.00
Tyler Technologies	73.37
Cayenta	50.36

The top scoring vendor, NorthStar Utilities, is the original business unit of Harris Computer Systems, a Canadian company. In business for over 44 years, NorthStar offers industry-specific solutions built for utilities. Their solutions have been successfully implemented for approximately 200 small- to medium-sized multi-service utilities across North America.

The City is planning on implementing the NorthStar system in a cloud-based, externally hosted environment. NorthStar utilizes Amazon Web Services (AWS) for the hosting of

their Customer Information Systems and Utility Billing software, and their customer portal and payment platform, SilverBlaze.

The one-time and first-year costs for implementation, software and hosting services is as follows.

One-time		
	Software Licensing	\$136,700
	Implementation Professional Services	\$538,074
	Travel Expenses	\$28,400
	Project Contingency	\$80,711
	Total One-time	\$ 783,885
First-year		
	Annual Maintenance and Support	\$34,175
	SilverBlaze Annual Subscription	\$18,450
	Cloud Hosting & Technical Services	\$50,500
	Total First-year	\$103,125

Recommendation

Staff recommends approval of an agreement with Harris Computer Systems for NorthStar Customer Information System and Utility Billing software, implementation services, and cloud hosting for a not-to-exceed cost of \$887,010.