

ORDINANCE NO. 036, 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 A MAJOR UPGRADE TO THE UTILITIES BILLING SYSTEM

WHEREAS, twenty-two years ago, the City began implementation and operation of the current Banner software based customer information and billing system (CIS) to manage City Utility customer billing and account services; 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, including greater online customer access and tools to evaluate account information; and

WHEREAS, during 2021 and 2022, the City engaged TMG Utility Advisory Services, Inc., (“TMG”) to assist Utilities’ staff to prepare for the end of the useful life of the current CIS, and a 12-month process to identify the specific design scope and functionality for a replacement CIS solution; and

WHEREAS, in October 2022, the City issued RFP # 9659- Customer Information System, Related Systems, and Implementation Services, 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; and

WHEREAS, as the City’s selection team, consisting of Utilities (Billing, Customer Service, and Metering), IT and Purchasing staff and TMG consultants, began reviewing RFP responses and selecting a CIS-CX solution provider, the costs to implement a replacement system became better understood; and

WHEREAS, during the 2023 Budgeting For Outcomes process, in preparation for an anticipated 24-month CIS-CX solution implementation, Utilities staff presented Capital Improvement Plans for a project cost of \$15,000,000, and staff has since identified the initial portion of which amount exceeds existing appropriations in the adopted 2023 Budget; and

WHEREAS, Utilities and Purchasing staff have identified a total of \$4,250,000 recommended for supplemental appropriation to address costs in the first phase of the CIS-CX development and implementation, including \$1,500,000 for project management and quality assurance, \$100,000 for contract review and specialized legal services, and \$2,650,000 for contract personnel services; 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 & Power Fund, Water Fund, Wastewater Fund, and the Stormwater Fund and will not cause the total amount appropriated in the Light & 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 has recommended the transfer of \$2,125,000 from the Electric Utility (aka "Light & Power") Enterprise Fund, \$1,062,500 from the Water Fund, \$531,250 from the Wastewater Fund, and \$531,250 from the Stormwater Fund to the Customer Service and Administration Fund and determined that the purpose for which the transferred funds are to be expended remains unchanged; and

WHEREAS, Article V, Section 11 of the City Charter authorizes the City Council to designate in the ordinance when appropriating funds for a 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 & Power Fund the sum of TWO MILLION ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$2,125,000) to be expended in the Light & Power Fund for transfer to the Customer Service and Administration Fund and appropriated therein for expenditure toward the purchase of

vendor services supporting an upgrade to the Utilities customer information and billing system (CIS).

Section 3. That there is hereby appropriated from prior year reserves in the Water Fund the sum of ONE MILLION SIXTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$1,062,500) to be expended in the Water Fund for transfer to the Customer Service and Administration Fund and appropriated therein for expenditure toward the purchase of vendor services supporting an upgrade to the Utilities CIS.

Section 4. That there is hereby appropriated from prior year reserves in the Wastewater Fund the sum of FIVE HUNDRED THIRTY-ONE THOUSAND TWO HUNDRED FIFTY DOLLARS (\$531,250) to be expended in the Wastewater Fund for transfer to the Customer Service and Administration Fund and appropriated therein for expenditure toward the purchase of vendor services supporting an upgrade to the Utilities CIS.

Section 5. That there is hereby appropriated from prior year reserves in the Stormwater Fund the sum of FIVE HUNDRED THIRTY-ONE THOUSAND TWO HUNDRED FIFTY DOLLARS (\$531,250) to be expended in the Stormwater Fund for transfer to the Customer Service and Administration Fund and appropriated therein for expenditure toward the purchase of vendor services supporting an upgrade to the Utilities CIS.

Section 6. That the appropriation herein for the purchase of vendor services to support the upgrade of the Utilities CIS is hereby designated, as authorized in Article V, Section 11 of the City Charter, as an appropriation 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 21st day of March, 2023, and to be presented for final passage on the 4th day of April, 2023.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading this 4th day of April, 2023.

Mayor

ATTEST:

City Clerk