

R-32

July 5, 2022

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 34740 with Utility Solutions Partners, LLC, of Rancho Cordova, CA, for managed services to provide maintenance and integration support related to the City of Long Beach's utility systems, to amend and revise the annual contract amount to \$2,428,852, with a five percent contingency in the amount of \$121,443, for a revised annual contract amount not to exceed \$2,550,295 in the first year, with a maximum increase of five percent annually, and extend the term of the contract to September 30, 2023, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to amend Contract No. 34740 with Utility Solutions Partners, LLC (USP), for managed services to ensure continuity of support for the City of Long Beach's (City) utility information systems.

The City's overall Utilities Customer Information Systems (CIS) provide unified customer, billing, and field service management platforms supporting metered gas, water, sewer services, and unmetered refuse services (collectively "Utility Services"), generating more than \$190 million in revenue for the City annually. The CIS are overseen by an Interdepartmental Steering Committee (Committee), which is composed of senior leadership staff from each of the departments that use the utility systems. These departments include Energy Resources, Water, Public Works, Financial Management and Technology and Innovation. The Committee meets regularly and has recommended that the City extend the contract term for three years at the terms outlined above.

On September 5, 2017, the City Council adopted Specifications No. RFP TI 17-095 and awarded a contract to Utility Solutions Partners, LLC, for managed services of the City's Utility Systems, in a total amount not to exceed \$4,044,595 for the first year, and thereafter, in an amount not to exceed \$2,286,100 annually, for a period of two years, with the option to renew for two additional one-year periods for ongoing maintenance.

On October 6, 2020, the City Council approved an increase in the annual amount of the managed services contract of \$425,200 for a new total amount of \$2,711,300 with a 10 percent contingency in the amount of \$271,130, for a total not to exceed amount of

\$2,982,430 to support one-time costs to stabilize the Customer Care and Billing portal (CC&B portal).

This recommendation will revise the annual contract amount by removing the \$425,200 for a previously requested system upgrade considered a one-time expense, an additional \$400,000 for consulting hours for special requests which will be included in the Proposed Fiscal Year 2023 (FY 23) Budget, and a reduction in contingency budget from 10 percent to 5 percent. It is critical that the managed services contract with USP be extended due to the consultants in-depth knowledge of the City's Utility Systems to evaluate and potentially replace some of the current systems.

TID is currently working with the utility departments to do an in-depth assessment of aging and underperforming modules currently included in the existing City's CIS. The outcome of this assessment will impact a future Request for Proposals (RFPs). The RFP process will rely heavily on the assessment's findings to identify new customer service features and modern technology solutions that are currently available on the utility information systems market. The proposed contract term considers the timeline to complete the assessment, proceed with the RFP process, and any potential system transition should a new platform be selected from the competitive procurement process.

This matter was reviewed by Deputy City Attorney Erin Weesner-McKinley on June 10, 2022, Purchasing Agent Michelle Wilson on May 9, 2022, and by Budget Operations and Development Officer Rhutu Amin Gharib on June 2, 2022.

TIMING CONSIDERATIONS

City Council action is requested on July 5, 2022, to amend Contract No. 34740 to ensure there is no interruption to services.

FISCAL IMPACT

The revised contract will not exceed \$2,550,295, which reflects the revised annual contract amount of \$2,428,852, with a five percent contingency of \$121,443. Sufficient funds are budgeted in the General Services Fund Group in the Technology and Innovation Department for ongoing maintenance and integration support.

The revised contract costs will begin in FY 23 and will be allocated and recovered from the client departments through the annual TI Memorandum of Understanding (MOU) to the four enterprise operations (Energy Resources, Water, Sewer, Refuse), which currently utilize the City's utility billing function. The allocation is equal to each operation's proportionate usage of the CC&B system.

This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

HONORABLE MAYOR AND CITY COUNCIL

July 5, 2022

Page 3

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LEA D. ERIKSEN

DIRECTOR OF TECHNOLOGY AND INNOVATION

APPROVED:



THOMAS B. MODICA
CITY MANAGER