

# CITY OF LONG BEACH

# R-36

DEPARTMENT OF TECHNOLOGY AND INNOVATION

333 WEST OCEAN BOULEVARD • LONG BEACH, CA 90802 • (562) 570-6455 • FAX (562) 570-5270

August 18, 2015

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

## RECOMMENDATION:

Adopt a Resolution authorizing the City Manager to execute a contract, and any amendments thereto, with Ernst & Young LLP, of Secaucus, NJ, for as-needed technical support and integration services related to the City's Customer Care & Billing, Mobile Workforce Management, and Advanced Metering Infrastructure systems in an amount not to exceed \$585,000 for a period of two years, with the option to renew for two additional one-year periods, at the discretion of the City Manager; and

Increase appropriations in the General Services Fund (IS 385) in the Department of Technology and Innovation (TI) by \$585,000. (Citywide)

## DISCUSSION

City Council approval is requested to enter into an agreement with Ernst & Young, LLP (EY), to provide technical support and integration services related to the City's key utility software systems, including Oracle Customer Care & Billing (CC&B), Oracle Mobile Workforce Management (MWM), Oracle User Productivity Kit (UPK), and the City's Advanced Metering Infrastructure System (AMI).

EY worked with the City to implement the new Customer Information System (CIS) that replaced the legacy Utility Billing software. The firm currently provides managed services to support the CC&B, MWM, and AMI systems for the City under fixed scope and fixed cost contracts. Since the systems were implemented, staff has identified the need to make certain enhancements to these systems to provide better integration. These necessary changes will help provide a more efficient business process flow and streamline data exchange. The agreement will also support additional technical training and support.

The as-needed services under this proposed agreement will focus on the following:

- **AMI Configuration, Testing, and Development Support** Development of the AMI system is well underway. The project is entering the "Beta" testing phase and staff anticipates beginning full deployment in November of this year. As the implementation team works through integration between systems, there is a need to change the meter data exchange configuration to enhance the Metersense Customer Connect and CC&B "To-Do" reporting. EY is the best technical option to address these enhancements.

- **Oracle Product Training Development** The City engaged EY to assist with Oracle's UPK training initiative. The product has shown initial success in training employees and providing online help functionality to staff. Additional support from EY is needed to continue to build out the training material and document all business process flows.
- **Additional MWM Support and Enhancements** Current EY resources under the original managed service contract are insufficient to support the City's needs. Additional support is required to enable the City to develop a more stable MWM environment and facilitate enhancements and debugging in a more timely manner. In particular, support is needed to develop the processes to provide field crews with the meter location codes on their mobile units. Additional benefits of this work include enabling the project team to incorporate MWM changes into utility-wide solutions, including the AMI project which requires MWM changes to support automated processing of meter retrofits.
- **Additional CC&B Upgrade Support** Enhanced CC&B productivity, business value, and cost savings will be facilitated by incorporating the Version 2.5.1 upgrade. The scope of these additional services include: COBOL to Java Conversion and Rate Engine Migration to facilitate the process. EY support is required to complete this effort.

EY has already performed work in each of the above areas and has the institutional knowledge of the systems and processes they have already developed. In addition, as the managed services provider of the CC&B and MWM systems for the City, EY is primarily responsible for the ongoing maintenance and support of the system. For these reasons, it would be futile and an unnecessary expenditure of public funds to advertise for bids.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Amy Webber on July 27, 2015 and by Budget Management Officer Victoria Bell on August 3, 2015.

#### TIMING CONSIDERATIONS

City Council action is requested on August 18, 2015 in order to leverage EY resources currently utilized on the AMI Project.

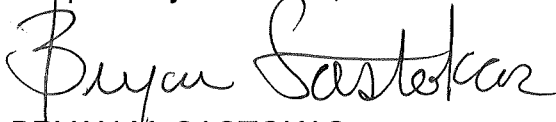
FISCAL IMPACT

Total expenditures for as-needed professional and technical services with EY will not exceed \$585,000. Because these services are currently unbudgeted, an appropriation increase is necessary in the General Services Fund (IS 385) in the Department of Technology and Innovation (TI). The cost will be allocated among the four enterprise operations (gas, water, sewer, refuse), which fund the City's current utility billing function. The allocation is equal to each enterprise's proportionate usage and dependence on the system. The participating departments will request increases in budget appropriation as needed. There is no local job impact associated with the recommended action.

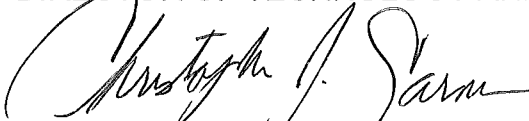
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



BRYAN M. SASTOKAS  
DIRECTOR OF TECHNOLOGY AND INNOVATION



CHRISTOPHER J. GARNER  
DIRECTOR OF LONG BEACH GAS AND OIL

CJG/CB:ld  
UPK ccl 080514

Attachment

APPROVED:



PATRICK H. WEST  
CITY MANAGER

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH ERNST & YOUNG LLP, WITHOUT ADVERTISING FOR BIDS, FOR AS-NEEDED TECHNICAL SUPPORT AND INTEGRATION SERVICES RELATED TO THE CITY'S CUSTOMER CARE AND BILLING, MOBILE WORKFORCE MANAGEMENT, AND ADVANCED METERING INFRASTRUCTURE SYSTEMS, IN AN AMOUNT NOT TO EXCEED \$585,000

WHEREAS, the City has a need for technical support and integration services related to the City's key utility software systems including Oracle Customer Care & Billing (CC&B), Oracle Mobile Workforce Management (MWM), Oracle User Productivity Kit (UPK), Sensus Flexnet and Harris Meter Sense, and Customer Connect; and

WHEREAS, Ernst & Young LLP worked with the City to implement the new Customer Information System that replaced the Legacy Utility Billing software; and

WHEREAS, Ernst & Young LLP currently manages and supports the CC&B, MWM, and Advanced Metering Infrastructure; and

WHEREAS, there is a need to implement certain enhancements to these systems; and

WHEREAS, these necessary enhancements will provide a more efficient business process flow, streamline data exchange, and will provide for additional technical training and support; and

WHEREAS, Ernst & Young LLP has performed work in each of the City's key utility software systems and has the institutional knowledge needed for the necessary

1 enhancements; and

2 WHEREAS, no useful purpose would be served by advertising for bids and  
3 to do so would constitute an idle and useless act and an unnecessary expenditure of  
4 public funds because Ernst & Young LLP is the only corporation, firm or individual that  
5 could or would bid for the as-needed technical support and integration services related to  
6 the City's Customer Care & Billing, Mobile Workforce Management, and Advanced  
7 Metering Infrastructure systems;

8 NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
9 follows:

10 Section 1. The City Manager is hereby authorized to enter a contract  
11 with Ernst & Young LLP without advertising for bids for the as-needed technical support  
12 and integration services related to the City's Customer Care & Billing, Mobile Workforce  
13 Management, and Advanced Metering Infrastructure systems in an amount not to exceed  
14 Five Hundred Eighty-Five Thousand Dollars (\$585,000), for a period of two years, with  
15 the option to renew for two additional one-year periods. If the sole source status of Ernst  
16 & Young LLP changes, the City shall publicly bid instead of extending the contract.

17 Section 2. This resolution shall take effect immediately upon its adoption  
18 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2015 by the following vote:

Ayes: Councilmembers: \_\_\_\_\_

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Noes: Councilmembers: \_\_\_\_\_

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Absent: Councilmembers: \_\_\_\_\_

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\_\_\_\_\_  
City Clerk