



## Legislation Details (With Text)

<b>File #:</b>	11-0937	<b>Version:</b>	1	<b>Name:</b>	LBGO/FM/PW/TS/WD - Utility Billing System
<b>Type:</b>	Contract	<b>Status:</b>		<b>CCIS:</b>	CCIS
<b>File created:</b>	9/6/2011	<b>In control:</b>		<b>City Council:</b>	City Council
<b>On agenda:</b>	9/20/2011	<b>Final action:</b>		<b>9/20/2011:</b>	9/20/2011
<b>Title:</b>	Recommendation to authorize City Manager to execute contracts and any amendments thereto with Langham Consulting Services, Inc., in the amount of \$885,000 for project management services, and Black & Veatch, in the amount of \$198,000 for quality assurance services in support of the implementation of a new utility customer information system. (Citywide)				
<b>Sponsors:</b>	Long Beach Gas and Oil, Financial Management, Public Works, Technology Services, Water				
<b>Indexes:</b>	Contracts				
<b>Code sections:</b>					
<b>Attachments:</b>	1. 092011-R-29sr&att.pdf				

Date	Ver.	Action By	Action	Result
9/20/2011	1	City Council	approve recommendation	Pass

Recommendation to authorize City Manager to execute contracts and any amendments thereto with Langham Consulting Services, Inc., in the amount of \$885,000 for project management services, and Black & Veatch, in the amount of \$198,000 for quality assurance services in support of the implementation of a new utility customer information system. (Citywide)

On July 5, 2011, the City Council authorized the City Manager to enter into agreements with Oracle and EP<sup>2</sup>M for the purchase, implementation, and ongoing support of a new utility customer information system (CIS). Attached is the City Council letter for reference. At that time, staff communicated that upon receiving City Council approval to purchase and implement the new system, the next step would be to retain professional services resources to manage project implementation and to perform quality assurance services, as well as to acquire temporary specialized staffing to carry out the technical tasks necessary to transition to the new system. Therefore, City Council approval is being requested with this action to authorize the City Manager to execute agreements for project management and quality assurance services to implement a new utility CIS. Currently, staff is in the competitive bidding process for the dedicated temporary project resources referred to in the July 5<sup>th</sup> communication with Council and it is anticipated that Council approval will be sought in that regard within the next two months.

Implementation of the new CIS involves a complex transition from existing systems to new ones with compatible technology. It requires a skilled project manager with extensive experience in implementing Oracle's utility CIS to ensure the project is completed on time, within budget, and fully meets the needs of the City. To mitigate unforeseen risks, a quality assurance firm is needed to provide independent review of the progress of the project, to determine the condition of the implementation with regard to schedule, quality, scope and budget and to identify any areas of improvement.

To that end, separate request for proposals (RFPs) for project management and quality assurance

services were issued on May 23, 2011, with a due date of June 9, 2011. The RFP documents were made available from the Purchasing Division located on the seventh floor of City Hall, and the Division's website at [www.longbeach.gov/purchasing](http://www.longbeach.gov/purchasing) <<http://www.longbeach.gov/purchasing>>. RFP announcements were also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 543 local, minority and women's business groups.

Seven proposals were received for project management services. Of the seven proposers, three were Minority-owned Business Enterprises (MBEs), two were Women-owned Business Enterprises (WBEs), none were Small Business Enterprises (SBEs), and one was a Long Beach business (local). Based on the evaluation team's review of the written proposals, five of the seven proposers were invited for oral interviews. Langham Consulting Services, Inc., of Mandeville, LA, is the recommended firm for project management services. In addition to project management, their scope of services also includes system testing management services as requested in the RFP.

Eight proposals were received for quality assurance services. Of the eight proposers, two were Minority-owned Business Enterprises (MBEs), two were Women-owned Business Enterprises (WBEs), none were Small Business Enterprises (SBEs), and one was a Long Beach business (local). Based on the evaluation team's review of the written proposals, three proposers were invited for oral interviews. Black & Veatch, of Overland Park, KS, is the recommended firm for to provide quality assurance services.

The recommended vendors were chosen based upon cost, established criteria, demonstrated competence, and verification of references for services performed for other municipal agencies and utilities. The evaluation team reviewing the proposals included representatives from the following City departments: Long Beach Gas and Oil, Water, Public Works, Technology Services, and Financial Management.

This letter was reviewed by Deputy City Attorney Gary J. Anderson on August 23, 2011, and by Budget Officer Victoria Bell on August 25, 2011.

## **SUSTAINABILITY**

With the implementation of a utility CIS system, the City will achieve a number of environmental and sustainable benefits. It will reduce the volume of paper used for utility bills and mailings, as customers opt for online, paperless billing and payment. It will also facilitate the future transition to automated meter reading, which will reduce vehicle emissions by eliminating the need for meter readers to travel by vehicle on a daily basis to all parts of the City's 50 square miles of utility service territory. Additionally, it will raise awareness of increased energy and water usage through rate structures that make consumers more aware of the need to conserve.

City Council action on this matter is requested on September 20, 2011 to move forward on this important project by the scheduled project kick-off in October. Implementation is projected to take 18 months with six additional months of stabilization with the new system.

The total cost for project management and quality assurance services is \$1,083,000, spread out over two fiscal years, FY 12, and FY 13. The amount is within the estimated cost for these respective services presented to City Council on July 5, 2011.

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. Estimated costs by fund are: Gas Fund (EF 301) \$412,600; Refuse Fund (EF 330) \$282,600; Water Fund (EF 310) \$223,500; and Sewer Fund (EF 311) \$164,300. The participating departments will request increases in budget appropriation as needed, as the project moves forward. There is no local job impact associated with this recommendation.

Approve recommendation.

CHRISTOPHER GARNER  
DIRECTOR OF LONG BEACH GAS AND OIL

JOHN GROSS  
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MICHAEL CONWAY  
DIRECTOR OF PUBLIC WORKS

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APPROVED:

PATRICK H. WEST  
CITY MANAGER