



Legislation Details (With Text)

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Type: BID, RFP, RFQ, COOP, SOLE SOURCE, OPTION YEAR **Status:** Agenda Ready

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On agenda: 1/16/2024 **Final action:**

Title: Waive the applicable provisions of the Naperville Procurement Code and award Procurement 24-062, Electronic Bill Payment, to Fidelity Information Services (FIS) for an amount not to exceed \$235,000 and for a one-year term

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
1/16/2024	1	City Council	approved	Pass

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Waive the applicable provisions of the Naperville Procurement Code and award Procurement 24-062, Electronic Bill Payment, to Fidelity Information Services (FIS) for an amount not to exceed \$235,000 and for a one-year term

DEPARTMENT: Finance Department

SUBMITTED BY: Rachel Mayer, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

In 2004, the City Council approved the award of RFP 04-073 to Metavante Corporation to provide internet bill presentment and payment (e-billing) services for City utility bills. In 2009, Metavante Corporation became a wholly owned subsidiary of Fidelity National Information Services, Inc. (FIS). The services provided under the contract allow utility customers to view and pay utility bills online. Over the years, various modifications and improvements have been made to improve system functionality and improve the customer experience.

The City has been waiving the code to continue the e-billing services with FIS since the initial contract ended in 2017. The intention was to wait to hire an e-billing vendor after the City implemented a new utility billing software. However, the timeline for the new utility billing software has been repeatedly delayed. The current timeline is to conduct a Request for Proposals (RFP) in 2024 and 2025 and implement the new software in 2025, 2026 and 2027.

DISCUSSION:

Knowing that a new utility billing software may not be live until 2027, staff recommends waiving the code to extend the contract one year with the option to extend again in 2025. As the City works toward identifying and implementing its next-generation utility billing platform, staff finds it to be in the City's best interest to maintain its current vendor relationship to avoid any disruption in service to our customers. Utility billing is one of the City's most visible customer service functions and a critical component in the collection of the City's largest revenue source.

FIS has continued to provide secure internet e-billing services to the City's utility customers. Based on the vendor's performance, the Finance Department recommends extending the contract another year with one option year. FIS has agreed to maintain the rates and terms provided under the current agreement. The recommended award amount is based on average monthly charges over the past 12 months, plus an additional 10% to account for year-over-year growth in online bill payment usage.

This award also authorizes staff to maintain a coterminous merchant services agreement with Chase Paymentech, a credit card processing servicer. Chase Paymentech works through FIS to process and deposit credit card transactions into the City's revenue accounts. Fees are based on the volume of transactions.

The term of this award is one year from January 1, 2024 to December 31, 2024, with one option to extend.

FISCAL IMPACT:

CIP#: N/A

Electronic bill payment services are expensed to the Other Professional Services account listed below. In 2024, the Finance Department budgeted \$200,000 for electronic bill payment services. While the requested award does exceed the budgeted amount for this expense, the full award can be accommodated within the 2024 budget.

Account Number	Fund Description	Total Budget Amount
15171300-531309	Electric Utility Fund	\$100,000
15171500-531309	Water Utility Fund	\$100,000