



Legislation Text

File #: 19-434, Version: 1

oCITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Change Order 2 to Contract 17-193, Electronic Bill Payment, to FIS for an amount not to exceed \$28,000 and a total award of \$135,400

DEPARTMENT: Finance Department

SUBMITTED BY: Rachel Mayer, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

On October 17, 2017, the City Council approved the award of Contract 17-193 to FIS to provide electronic bill payment services for the City's utility customers. The term of the contract was 18 months from January 1, 2018 through June 30, 2019.

In November 2018, a change order adding \$3,000 was approved by the City Manager to implement system changes to address resident concerns with the e-bill platform. The additional funds provided for three significant modifications including:

- Elimination of the 90-day password reset requirement;
- Removal of the autopayment expiration date; and
- Addition of three event email notifications (credit card expiration warning, credit card expiration notification and payment overdues).

In February 2019, the e-bill system was updated to remove the password and autopayment expirations. Since implementing changes to the e-bill program, password-related calls to the City have dropped 40%. Prior to the system update, the City received nearly 600 calls per month for password resets. In the three months since eliminating password expirations, the average calls for passwords dropped to 348 and is steadily declining.

Month	e-Bill Password	e-Bill Other	Calls Presented	Calls Handled
Aug - 2018	410	121	10,938	7,867
Sep - 2018	673	160	8,507	5,604
Oct - 2018	649	183	7,830	5,971
Nov - 2018	613	161	8,501	6,540

Dec - 2018	489	145	6,056	4,934
Jan - 2019	530	223	6,254	5,222
Feb - 2019	405	172	6,052	5,133
Mar - 2019	382	205	8,130	6,796
Apr - 2019	257	145	6,511	5,312

DISCUSSION:

The City is billed based on three components of the electronic billing service: enrolled documents, payment only and document housing. Enrolled document fees are charged on a tiered structure based on the number of customers enrolled. The fee is tied to all utility customers maintaining a login with FIS to manage bills and statements. A flat payment only fee is applied to customers using the service for one-time only payments. A small fee related to document housing is also applied. To ensure customers have easy access to start an e-bill service, FIS stores all utility bills from the City in their system, allowing first-time users seamless access to the service.

Actual use of the e-bill system has outpaced initial projections, which were based on approximately 33-percent of the utility customers enrolling in e-bill. As of June 2019, more than 37-percent of the utility customers are enrolled in the program. The increased use pushed invoices above the current award total.

Based on trends shown below, staff is requesting a change order in the amount of \$28,000 to ensure sufficient funds are available through the end of the contract term.

Monthly Averages					
Year	Enrolled Documents	Non-Enroll Documents	Payment Only	Total	Invoiced
2014	21,452	40,266	2,819	64,537	\$4,794
2015	23,651	39,024	3,212	65,887	\$5,330
2016	25,253	36,942	3,581	65,776	\$5,704
2017	27,437	35,986	3,748	67,171	\$6,265
2018	29,326	34,426	3,993	67,745	\$7,063
2019*	32,952	35,501	4,036	72,489	\$8,613

*Through April

Total use of the three components increased five-percent since 2014, and, through April, use of FIS is up 10-percent over the first four months of 2018.

FISCAL IMPACT:

CIP: N/A

Electronic billing services are expensed to the other professional services accounts listed below. A total of \$72,000 is budgeted for utility billing tools, including e-billing, in 2019. The requested change order is within budget.

Account Number	Fund Description	Total Budget Amount
15171300-531309	Electric	\$36,000
15171500-531309	Water and Wastewater	\$36,000