



## Legislation Details (With Text)

**File #:** 21-1297      **Version:** 1

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

**File created:** 9/30/2021      **In control:** City Council

**On agenda:** 11/2/2021      **Final action:** 11/2/2021

**Title:** Waive the applicable provisions of the Naperville Procurement Code and award Procurement 21-365, Electronic Bill Payment, to Fidelity Information Services, LLC. for an amount not to exceed \$174,000 for a one-year term (requires six positive votes).

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
11/2/2021	1	City Council	approved	

### CITY COUNCIL AGENDA ITEM

#### **ACTION REQUESTED:**

Waive the applicable provisions of the Naperville Procurement Code and award Procurement 21-365, Electronic Bill Payment, to Fidelity Information Services, LLC. for an amount not to exceed \$174,000 for a one-year term (requires six positive votes).

**DEPARTMENT:** Finance Department

**SUBMITTED BY:** Rachel Mayer, Director

#### **BOARD/COMMISSION REVIEW:**

N/A

#### **BACKGROUND:**

In 2004, 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).

Since the initial agreement, the City has maintained a partnership with FIS for e-billing services. Most recently, the City Council, on June 18, 2019, awarded a contract extension with FIS extending the relationship from July 1, 2019 to December 31, 2021.

Services under the contract provide utility customers the opportunity to view and pay City utility bills online. Over the years, various modifications and improvements have been made in order to improve system functionality and eliminate customer frustrations. In February 2019, staff completed three significant modifications, including eliminating a 90-day password reset requirement, removing an autopayment expiration date and adding three event email notifications (credit card expiration

warning, credit card expiration notification and payment overdues).

During the current term, staff planned to begin transitioning the utility billing function, including e-billing services, from FIS to the City's enterprise resource planning system (ERP), known as Munis. This was initially considered the most ideal and straightforward solution, given that Munis is the City's existing ERP system, and their software offers a full suite of utility billing solutions that integrate directly into other financial applications. However, during implementation plan development, challenges, as well as potential opportunities, were identified that led staff to reconsider the timing of the transition. The challenges identified stem primarily from the ongoing deployment of the City's AMI program and the increased risk of compromising and/or losing customer usage data and billing history. There are also challenges to implementing and integrating such a large-scale project while other related systems are either transitioning currently (i.e. banking services) or will likely be transitioning soon (i.e. utility bill printing and mailing services).

In addition to such challenges, staff believes that there may be an opportunity to improve efficiency and increase service levels by considering options in addition to Munis' utility billing suite. Though the results of further investigation may still conclude that moving forward with Munis' suite is still the best option, staff feels, given the size and scope of this service, it's in the City's best interest to conduct a thorough analysis of all available options.

As a result, staff proposes to waive the applicable provisions of the Naperville Procurement Code and award a one-year contract extension to FIS. Subsequently, staff plans to issue a Request for Information (RFI) in the first quarter of 2022 and, based on the result of that RFI, issue an RFP in the second quarter of 2022. Negotiation and contract award would likely occur in the third quarter of 2022 followed by implementation and testing through 2023. Depending on the time needed to complete the transition, the award of option year one may be necessary.

#### **DISCUSSION:**

Throughout the current contract term, FIS has provided adequate secure internet e-billing services to the City's utility customers. FIS has agreed to maintain rates and terms provided under the current agreement. The presented award total is based on average monthly costs from FIS during the current agreement. Charges for e-billing services are based on use and the recommended award is included in the 2022 Budget, which will be approved by Council later this year.

This award also authorizes staff to simultaneously enter into 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 account. Fees are based on the volume of transactions.

The term of the extension is January 1, 2022 through December 31, 2022, with one, one-year option to extend this contract.

#### **FISCAL IMPACT:**

CIP: N/A

Electronic billing services are expensed to the other professional services accounts listed below. A total of \$174,000 is tentatively budgeted for e-billing in 2022, pending Council approval.

Account Number	Fund Description	Total Budget Amount
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15171300-531309	Electric Utility	\$87,000
15171500-531309	Water and Wastewater	\$87,000