



Agenda Report

25-139

Agenda Date: 4/8/2025

REPORT TO COUNCIL

SUBJECT

Action on Authorizing the City Manager to Negotiate and Execute Amendments to the Agreement with N. Harris Computer Corporation for the NorthStar CIS Utility Billing System

COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

BACKGROUND

The City of Santa Clara (City) originally selected N. Harris Computer Corporation (Harris) in 1998 through a competitive solicitation process and entered into an agreement for the NorthStar Customer Information System (NorthStar CIS). This integrated system serves as the backbone of the City's utility billing system and supports various utility-related services. Key examples include the (i) mCare Legacy module for service requests and meter reading data and the (ii) CustomerConnect module, a public-facing portal for account access and bill payment.

In 2017, the City Council authorized the City Manager to execute a new agreement with Harris (2017 Agreement) to upgrade NorthStar CIS from version 6.3 to version 6.4, with a maximum compensation of \$276,648.

On November 10, 2020 (RTC# 20-714), the City Council authorized the City Manager to (i) execute Amendment No. 1 to extend the term of the 2017 Agreement through December 31, 2023, with no change to the maximum compensation and (ii) negotiate and execute future amendments for additional work related to the transition of the customer payment system from NorthStar CIS to the City's Smart Energy Water (SEW) platform for compliance with Payment Card Industry Data Security Standard (PCI DSS). The PCI DSS is a set of security requirements designed to protect cardholder data and reduce payment card fraud, applicable to any entity that stores, processes, or transmits cardholder data.

On December 16, 2020, the City executed Amendment No. 2 to increase compensation by \$189,551 for a revised maximum compensation not to exceed \$466,199 for the work related to the SEW project, as authorized under RTC# 20-714.

On January 2, 2024, the City executed Amendment No. 3 to the 2017 Agreement to extend the term through December 31, 2025 to accommodate additional time needed to complete the SEW project, as authorized under RTC# 20-714.

On March 19, 2024 (RTC# 24-168), City Council authorized the City Manager to negotiate and execute Amendment No. 4 to modify the scope of services to include work needed to ensure ongoing compatibility between the NorthStar CIS and Silicon Valley Power's updated meter data management

system. Additionally, the City Council granted the City Manager authority to increase the maximum compensation of the agreement by \$70,857 to a revised not-to-exceed amount of \$537,056 in support of this additional work.

The purpose of this report is to request City Council authorization for additional services required for the NorthStar CIS system.

DISCUSSION

Since the execution of the 2017 Agreement with Harris, the system has undergone various updates and modifications to maintain compliance with industry standards and ensure seamless operations with evolving City technologies and needs, as discussed above. Currently, two new work efforts have been identified.

NorthStar CIS Upgrade

The version of Northstar CIS currently in use is outdated and no longer supported by Harris. To improve performance, security, and compliance and to, the City staff desires to upgrade the NorthStar CIS to the latest version. This upgrade will improve prove performance and security, and it will also ensure the City benefits from new and updated features including updating the outdated 2012 Microsoft infrastructure and software with the latest releases (currently Microsoft Windows 2022 and Microsoft SQL Server 2022).

The project scope includes four weeks of user acceptance testing, 45 days of post go-live support, and training. The total cost for this upgrade is \$112,174.

mCare Legacy Replacement

The mCare application, a component of the NorthStar CIS system used for customer service functions, is at end-of-life. Harris has recommended replacing it with ServiceLink, which is Harris' new product that is fully compatible with the NorthStar CIS system. This cloud-hosted solution offers significant advantages over mCare's on-premise infrastructure, including improved mobility, scalability, and increased efficiency through customized modules for electric, trash, water and sewer services. ServiceLink also provides expanded user licensing, allowing the City to scale as needed.

To facilitate this transition, staff is requesting City Council authorization to negotiate and execute a future amendment to implement ServiceLink for an additional not-to-exceed amount of \$100,000. This request is in accordance with the Santa Clara City Code (City Code). Specifically, Section 2.105.280(b)(2) of the City Code permits procurement exemptions from the City Code's competitive requirements when required to ensure operation or function to match other products with respect to the repair, expansion or completion of a system, existing structure or program currently in use by the City.

Continuing with Harris for this critical utility billing system component will ensure continued seamless integration and functionality. Implementation of ServiceLink will begin after the completion of the NorthStar upgrade, which is a prerequisite.

The annual recurring maintenance fee for ServiceLink will be \$54,375, an increase of \$39,825.41 from mCare's current annual maintenance cost of \$14,549.59 annually. This recurring fee will be

added to the existing software license/subscription agreement, already authorized under RTC 20-714.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of a California Environmental Quality Act (“CEQA”) pursuant to section 15061(b)(3) of Title 14 of the California Code of Regulations in that it can be seen with certainty that there is no possibility that these upgrades and modifications may have a significant effect on the environment .

FISCAL IMPACT

The proposed Amendment No. 5 adds \$112,174 to support the NorthStar CIS server migration and upgrade project with funding available through the Utility Management Information System (UMIS) Enhancements Project in the General Government Capital Fund (Project 6103).

Future amendments to support the mCare replacement are estimated to add \$100,000 in implementation costs, funded by the Utility Management Information System (UMIS) Enhancements project. To ensure a smooth transition and maintain compliance, a 10% contingency amount of \$21,217 is recommended, bringing the revised not-to-exceed amount to \$770,447. This contingency accounts for additional work that may arise during implementation, such as at least two data refresh cycles, unforeseen integration issues with existing systems, configuration refinements to align with operational needs, and potential adjustments based on user acceptance testing feedback. Given the complexity of migrating to ServiceLink, this buffer provides a safeguard against unexpected challenges, ensuring that the system meets operational and compliance requirements effectively.

An estimated increase of \$39,825 in annual subscription fees for ServiceLink for a total of \$54,375 in annual subscription fees is anticipated for the Utility Billing Budget and will be incorporated into the budget as part the budget process.

COORDINATION

This report has been coordinated with the Information Technology Department and City Attorney’s Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Authorize the City Manager or designee to negotiate and execute amendments to the agreement with N. Harris Computer Corporation (Agreement) for the NorthStar Customer Information System (NorthStar CIS) Utility Billing System to implement the NorthStar server migration and upgrade and replace mCare with ServiceLink, and to increase the maximum compensation by \$212,174, plus a 10% contingency amount of \$21,217 for a revised not-to-exceed amount of \$770,447, subject to the appropriation of funds and review and approval as to form by the City Attorney; and
2. Authorize the City Manager or designee to take any actions necessary to implement and

administer the Agreement and execute future amendment(s) to (1) add or delete services, (2) adjust future rates based on market conditions, (3) make de minimis revisions, and (4) extend the term as needed to complete the projects, subject to review and approval as to form by the City Attorney.

Reviewed by: Kenn Lee, Director of Finance

Approved by: Jovan D. Grogan, City Manager

ATTACHMENTS

1. Amendment No. 4
2. Amendment No. 3
3. Amendment No. 2
4. Amendment No. 1
5. 2017 Harris Agreement