



## Agenda Report

18-1284

Agenda Date: 12/11/2018

### REPORT TO COUNCIL

#### **SUBJECT**

Action on an Agreement with Smart Energy Systems LLC dba Smart Energy Water, for a Customer Self-Service Portal for Utility Services

#### **BACKGROUND**

The City entered into an agreement with NorthStar Utilities Solutions to provide a “Customer Connect” My Utilities Customer Self-Service portal in 2015. This portal allows basic scheduling of utility service orders, e-mail notifications, online bill payment and e-billing services.

The current software that supports the customer service portal is outdated, lacks modern functionality, is not compatible with new versions of Windows operating system, and no longer meets the utilities and/or customer needs. In addition, the current software does not facilitate a user friendly interface for the public which has resulted in criticisms such as the account set up page is not intuitive, there is not a log off/ shut down function shown on the screen, and separate fields for street numbers and street address are required.

An upgrade to the City’s utility customer self-service portal is necessary to modernize the system for purposes of compliance and functionality to meet the public’s expectations. These expectations include an intuitive, mobile-friendly user interface(s) for billing, payment, and real-time display of advanced metering utility information.

On December 6, 2016 the City contracted with TMG Utility Advisory Services (TMG Consulting) to assist with the process and effort to prepare and launch a set of Requests for Proposal (RFPs) in pursuit of a new billing system and customer self-service portal. In response to the highly critical customer feedback surrounding the existing customer self-service portal, the project team prioritized the Customer Self-Service Portal RFP.

#### **DISCUSSION**

An RFP for a Customer Self-Service Portal was issued on December 4, 2017, and eight highly competitive proposals were received. The responses were evaluated by the City’s consultant, TMG Advisory Services and the City’s Electric Utility, Water & Sewer Utilities, Public Works, Finance, and Information Technology stakeholders.

After the initial evaluation of all proposals received, the stakeholders interviewed the top four finalists (SilverBlaze Solutions, Inc., Systems & Software, Inc., Avertra Corporation, and Smart Energy Systems LLC dba Smart Energy Water (SEW)) and unanimously selected Smart Energy Water as the Customer Self-Service Portal provider. The recommended contract term with SEW is for three years and is anticipated to significantly improve the customer self-service experience, streamline the online sign up process, and improve customer communication and education.

Significant improvements in the online portal administration efficiency and customer self-service options to Smart Energy Water include:

- Ongoing cloud-hosted, Software as a Service (SaaS)-based customer portal solution (currently hosted on premise);
- Smart customer mobile and web platform(s) that incorporates all customer interactions with the utilities into one view and includes 24X7 accessible self-help tools;
- Off-site secured Payment Card Industry compliant payment card processing and related services;
- Access to real time energy and water consumption, while enabling email and text alerts on consumption thresholds;
- Customer Alerts - payment reminders, overdue notice, payment successful confirmation, changes in account data, stored credit card/debit card expiring dates, and service requests that are scheduled;
- Residential and Large Enterprise Customer Specific Service Portals;
- Additional offerings include: hosting, security outage management, leak detection, and smart meter analytics (reporting) for new advanced electric meters.

The proposed solution will be implemented through a multi-year software subscription agreement. Multi-year contracts are desirable for this type of service in order to negotiate better terms and pricing and to allow for ongoing software upgrades. The implementation for this project is anticipated to begin in January 2019 with an estimated completion date of July 2019.

### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

### **FISCAL IMPACT**

The total cost of the Agreement with Smart Energy Water will not exceed \$515,283 in the first year with a total not to exceed \$1,257,149 over the three year term of the Agreement. Funding for implementation, subscription and transaction fees for the first year of the Agreement was included in the fiscal year 2018/19 Capital Improvement Program (CIP) Budget. Appropriations for future years will be included in the development of future annual budgets.

### **COORDINATION**

This report has been coordinated with the Information Technology Department, Finance 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](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

Approve an Agreement for Services with Smart Energy Systems LLC dba Smart Energy Water to provide software subscription and credit card transaction services to replace the City's Utility Customer Self Service Platform, with a total not-to-exceed amount of \$1,257,149 over a three-year term subject to annual appropriation of funds.

Reviewed by: Angela Kraetsch, Director of Finance

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. Agreement with Smart Energy Systems, LLC for a Customer Self-Service Portal for Utility Services