

DATE ISSUED: October 4, 2004

REPORT NO. 04-223

ATTENTION: Honorable Mayor and City Council

SUBJECT: Replacement of Water Department's Customer Information System (CIS)

SUMMARY

THIS IS AN INFORMATION ITEM ONLY. NO ACTION IS REQUIRED ON THE PART OF THE COMMITTEE OR THE CITY COUNCIL.

BACKGROUND

The Water Department's Customer Support Division is responsible for providing customer service and billing activities for the Water and Metropolitan Wastewater Departments as well as billing for the City's Storm Drain program. The Division is responsible for maintaining accounts and customer information, answering questions for customers regarding their bills or services, billing approximately 13,000 accounts per work day, and processing all payments received for water, wastewater and storm drain services. For FY05 it is anticipated that the Division will bill for and collect approximately \$460 million in revenue.

Currently the Division uses the Customer Information System (C.I.S.) for its billing and customer information activities. The existing CIS was implemented in 1983 and has been highly modified. The system resides on a mainframe computer operated by the San Diego Data Processing Corporation (SDDPC). Over time the system has been extensively modified to accommodate specific department requirements such as the recent conversion to monthly billing. CIS was also modified to become Y2K compliant. All of these modifications are programmed by staff from SDDPC in coordination with staff from the Water Department.

DISCUSSION

While the existing system has served the City well for many years, the Water and Metropolitan Wastewater Departments have reviewed the current billing, account management, and service order technology for the existing systems and have identified several drivers that are the primary rationale for pursuing a new, modern CIS. Among the rationale are:

- Achieve a higher level of customer service by providing more effective customer communication and improve customer self-service capabilities.
- Enhance the ability to integrate the CIS capability with current and future Water and Wastewater Department technologies, including automated meter reading and computer telephony capabilities.
- Address the need to offer customer e-commerce based business interactions that are available to them “twenty four by seven.”
- Need to track and manage fieldwork associated with billing and account management activities so as to better understand workloads, assign priorities, and measure performance and productivity objectively.
- Ensure the ability to support the billing needs of future programs and services in support of new public strategies and objectives.

In order to begin the process of selecting a replacement for the current CIS, staff from the Water and Metropolitan Wastewater Departments as well as SDDPC met to create an extensive Request for Qualifications (RFQ). This document describes in detail the functional and technical requirements for a new CIS. The RFQ was issued to solicit information from vendors about the capabilities of their billing and customer information system. From the responses to this RFQ the Departments will select a short list of the most qualified vendors. This short list of vendors may be offered the opportunity to respond to a Request for Proposal (RFP). The RFP, if offered, would request additional information about technical characteristics, functional capabilities, vendor characteristics and would ask for price proposals. The RFQ does not include price proposals.

The planned schedule of events for the RFQ is as follows:

Distribute RFQ	Completed – August 23, 2004
Vendor Pre-Response Conference	Completed – September 13, 2004
Question and Answers Distributed	Completed – September 21, 2004
Vendor Responses Due	October 5, 2004
Vendor Interviews & Demos Done	December 14, 2004
Vendor Finalists Identified	December 21, 2004

As indicated above, at the conclusion of the RFQ process the Departments will evaluate the feasibility of proceeding with an RFP for the purpose of selecting a replacement to the existing CIS. Should we proceed with this effort, the RFP would be issued and evaluated by the end of FY05. Actual implementation would begin in FY06. As such, the expected budgetary impacts of a CIS replacement will be included in the FY06 proposed budget.

Respectfully submitted,

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Approved: Richard Mendes
Deputy City Manager

BELOCK/MB