



City of Grand Island

Tuesday, April 26, 2016

Council Session

Item G-8

#2016-94 - Approving NPPD Call Center Agreement

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

From: Timothy Luchsinger, Utilities Director
Stacy Nonhof, Assistant City Attorney

Meeting: April 26, 2016

Subject: NPPD Call Center Contract

Presenter(s): Timothy Luchsinger, Utilities Director

Background

The Department's Phelps Control Center is located next to the Burdick Power Station on Cherry Street. It is the main facility for the Transmission Division, which is responsible for all power dispatching and electric substation operations, and includes a command center manned at all times.

While multiple personnel are in the center during normal business hours, it is staffed by one individual during nights, weekends, and holidays. This command center monitors system operations, schedules power transactions with the regional electric system operator, coordinates power generation, and answers the Department's trouble phone lines. The trouble phone lines are four lines that customers can call to notify of their service problems and other power and water issues. Standby crews are dispatched by the command center in response to the trouble calls as required. Unanswered calls are routed to a message recording system.

This system normally is sufficient, however, during storms and other abnormal conditions, the one individual manning the center can be overwhelmed by the amount of calls, in addition to monitoring and responding to the system operation, and dispatching crews. The phone system is usually also overwhelmed and customers then call the 911 emergency center, which leads to more calls than the emergency center can handle, and disrupts emergency life safety callers.

The voice messaging system is often not able to be checked for several hours after calls are received, thus extending times when customers are out of power or in a hazardous situation. The Department has struggled with options to correct this issue; however, solutions either require expensive call management systems and/or additional phone lines and personnel with costs not easily justified by the rare frequency of these situations.

Discussion

The Department became aware of call answering services provided by the Nebraska Public Power District (NPPD). NPPD recently expanded its call answering center in Norfolk, including installing the communications systems and hiring of personnel to address many of the issues facing Grand Island.

This call answering facility includes storm hardened areas and redundant power and communications systems. To help provide a mutual benefit for NPPD and other Nebraska utilities, NPPD is providing an outsourcing of their call answering facilities and services. Currently twenty-two Nebraska municipalities and public power districts are subscribing to this service.

NPPD provided a proposal to Grand Island for services in which all Grand Island system customer calls would be received by NPPD, and the issue of the call immediately entered into a trouble call system that would be monitored by Grand Island personnel. The phone line would continue to be the local Grand Island number, but merged into a cloud system to NPPD that could handle dozens of callers at one time, and answered as the Grand Island Utilities Department. This system would shift the constraint of an abnormal or storm situation from communications with customers to the limits of Department resources responding in the field.

A five year agreement is proposed by NPPD, with a one-time setup charge of about \$7,700.00 and a monthly charge of around \$4,300.00, based on the number of customers and calls answered. This includes both electric and water utility customers. The Department staff has reviewed this proposal and recommends its acceptance as providing a positive impact to customer service at a reasonable cost.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the Customer Outage Call Processing Service Agreement between Nebraska Public Power District and City of Grand Island, Nebraska.

Sample Motion

Move to approve the Customer Outage Call Processing Service Agreement between Nebraska Public Power District and City of Grand Island, Nebraska.

**CUSTOMER OUTAGE CALL PROCESSING
SERVICE AGREEMENT**

between

NEBRASKA PUBLIC POWER DISTRICT

and

CITY OF GRAND ISLAND, NEBRASKA

EFFECTIVE: APRIL 15, 2016

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**CUSTOMER OUTAGE CALL PROCESSING
SERVICE AGREEMENT
between
NEBRASKA PUBLIC POWER DISTRICT
and
CITY OF GRAND ISLAND, NEBRASKA**

This Agreement is made and entered into effective April 15, 2016, by and between Nebraska Public Power District (NPPD), a public corporation and political subdivision of the State of Nebraska, and City of Grand Island, Nebraska (Customer), a municipality in the State of Nebraska, each sometimes hereinafter referred to singularly as "Party" and collectively as the "Parties".

WHEREAS, NPPD operates a centralized customer contact center which is staffed around-the-clock, and;

WHEREAS, Customer desires that NPPD provide customer outage call processing; and;

WHEREAS, NPPD is willing and able to provide said outage call processing subject to certain conditions.

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, the Parties do hereby mutually agree as follows:

**ARTICLE I
DEFINITIONS**

- 1.1 Service(s): Any performance required of NPPD pursuant to this Agreement.
- 1.2 Hours: All hours of the day, Monday through Sunday, 24 hours per day, 7 days a week, 365 days a year.
- 1.3 Consumer: Current or potential end-use customer of Customer.
- 1.4 Center: NPPD Centralized Customer Care Center located at Norfolk, Nebraska.
- 1.5 Consumer Data: Information such as the name, account number, 911 emergency address, and other pertinent information regarding Consumers as listed on Exhibit B necessary for NPPD to provide Services under this Agreement.
- 1.6 SOS: NPPD's customer database software utilized to store and manage Consumer Data, Consumer call tracking, etc.

- 1.7 Emergency Call: A Consumer call relating to the loss of electric service normally provided by Customer.

ARTICLE II INITIAL SETUP

- 2.1 NPPD and Customer agree that the completion of the following steps of the outage call processing service must occur prior to implementation of this Agreement. An implementation date for the Services outlined in this Agreement will be agreed upon between all Parties involved.

2.1.1 Outage Call Processing

- 2.1.1.1 Customer will reimburse NPPD monthly for the costs of a toll-free number provided to them by NPPD and associated use. NPPD will coordinate installation and administration of this toll-free number under its Advanced Features account with AT&T.
- 2.1.1.2 Customer will assist in the design of its specific greeting, menu greeting, and expected service standards.
- 2.1.1.3 Each month Customer will provide its Consumer database to NPPD in electronic format adaptable to SOS. Customer is solely responsible for supplying adequate and up-to-date information to NPPD. This is the information that will be used during outages. NPPD will not be responsible for inadequate information.

- 2.2 Upon execution of this Agreement, Customer agrees to remit to NPPD an initial set-up fee as set forth on the current Standard Rate Fee Schedule.

ARTICLE III SCOPE OF SERVICE

- 3.1 NPPD will provide Services described below:

3.1.1 Outage Call Processing Service

- 3.1.1.1 NPPD will provide SOS outage tracking of Customer information and requests. Customer's electronic interfaces with SOS would be required at an additional charge at Customer's expense, if applicable. An example of the NPPD e-Services Subscription

Agreement for SOS Application Process/NPPD Computer System Agreement for Access Authorization shall be provided to Customer.

- 3.1.1.2 NPPD will provide Interactive Voice Response technology on front-end call answering menu using standard schematics with customer branded content. NPPD will route all Emergency Calls to the on-call personnel immediately.
- 3.2 NPPD and the Customer may agree, by amendment to this Agreement, to expand the scope of Service beyond Outage Call Answering to cover select services such as dispatching, as mutually agreed upon by both Parties.

**ARTICLE IV
PERSONNEL AND SUPPORT**

- 4.1 Customer shall furnish NPPD the telephone numbers for emergency situations and shall update the listing as required by changing conditions and personnel assignments.
- 4.2 Customer agrees to furnish NPPD a list of its designated representative(s) who are authorized to adjust the outage call processing procedures in the event of emergency situations, such as call overload as a result of storm situations, communication line failure or other unforeseen situations.
- 4.3 Customer will, at its expense, maintain adequate telephone services at its location(s) to accommodate answering Consumer calls on its premises. Customer agrees to reimburse NPPD for all costs associated with maintaining toll-free telephone service at its location(s) including, but not limited to, long distance usage fees and monthly fixed fees.
- 4.4 Customer will, at its expense, cover costs associated with programming changes and/or training requirements due to technology updates requested by the customer. Standard NPPD labor rates apply.

**ARTICLE V
AUTHORIZATION**

- 5.1 NPPD will maintain the Consumer Data in strict confidentiality, and will utilize it for the sole purpose of providing Services hereunder.

**ARTICLE VI
INDEMNIFICATION**

- 6.1 Customer agrees to indemnify and save harmless NPPD, its representatives, officers, and employees, from any and all claims, demands, suits, actions and judgments arising from any act or omissions of Customer, its agents, servants or employees associated with Services provided hereunder.

**ARTICLE VII
LIMITATION OF LIABILITY**

- 7.1 NPPD shall not be liable to Customer for any special, incidental or consequential damages to or incurred by Customer arising from or in any way connected with the performance of Services, whether based upon contract, tort (including negligence and strict liability) or otherwise, including but not limited by way of example or otherwise to loss of profits or revenues, cost of capital, cost of purchased or replacement power or energy, loss of use of equipment or electric system or facilities, or claims of Consumers for such damages.

**ARTICLE VIII
UNCONTROLLABLE FORCES**

- 8.1 NPPD shall not be liable for loss or damage from any failure to perform any of its contractual obligations specified hereunder as a result of Uncontrollable Forces. Uncontrollable Forces shall include, by way of example and not as a limitation, those circumstances which are beyond the control of NPPD, such as acts of God, the public enemy, the U.S. Government, or any department or agency thereof, the State of Nebraska or any of the several states, other contractors of Customer, as well as fire, flood, epidemics, quarantines, riots, strikes, civil insurrections, freight embargoes, and unusually severe weather.
- 8.2 In the event of an Uncontrollable Force, NPPD shall be excused from performance during the existence of the Uncontrollable Force and shall have a reasonable period of time after termination of the Uncontrollable Force to resume performance.
- 8.3 When an Uncontrollable Force occurs, NPPD shall immediately notify Customer of the existence of the Uncontrollable Force. Upon termination of the Uncontrollable Force, but no later than fourteen (14) days following such termination, NPPD shall notify Customer of the termination of the Uncontrollable Force and shall, where applicable, submit a revised performance schedule to Customer.

**ARTICLE IX
BILLING FOR SERVICES**

- 9.1 NPPD will bill Customer for Services rendered under this Agreement on a monthly basis in accordance with Exhibit A.
- 9.2 The monthly base Consumer count will be calculated on the basis of: one-third (1/3) of all Water Use Accounts, and one hundred percent (100%) of all other account classes active on Customer billing system at the implementation of this Agreement.
- 9.3 The base Customer count and associated billing fees in Exhibit A shall be adjusted annually. The Customer shall have the right to review the Service Rate Fee Schedule prior to any billing adjustment and may exercise the option to terminate pursuant to Article XI of this Agreement.

**ARTICLE XI
TERM**

- 11.1 The term of this Agreement shall be five (5) years from its effective date and thereafter from month to month unless terminated by at least ninety (90) days prior written notice given by either Party to the other. Notice to terminate this Agreement prior to the expiration of the initial five (5) year term will result in an early termination exit fee equivalent to fifty percent (50%) of the monthly base fee through the end of the original contract period.

**ARTICLE XII
SEVERABILITY**

- 12.1 In providing Services pursuant to this Agreement, NPPD intends to perform in accordance with all laws governing NPPD's activities, procedures, standards or specifications. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way by such court holding.

**ARTICLE XIII
REPLACEMENT OF PRIOR AGREEMENTS**

- 13.1 This Agreement constitutes the entire contract between the Parties with respect to the subject matter hereof and supersedes all prior oral and written expressions of intent, together with any exhibits attached thereto and any amendments or

supplements thereto, and there are no other agreements or understandings between the Parties with respect thereof.

NEBRASKA PUBLIC POWER DISTRICT

**CITY OF GRAND ISLAND,
NEBRASKA**

By: *Timothy J. Arlt*

By: _____

Printed: Timothy Arlt

Printed: _____

Title: General Manager of Retail

Title: _____

Date: 4/20/2016

Date: _____

EXHIBIT A

BILLING DETAIL

For Services provided to City of Grand Island, Nebraska (Customer) by NPPD under this Agreement, NPPD will issue an invoice on a monthly basis.

1. PAYMENT DUE DATE

- 1.1 Except as otherwise mutually agreed by the Parties, the monthly billings for Services provided to Customer by NPPD shall be due within twenty (20) days after such billings are rendered by NPPD. If the due date falls on a Saturday, Sunday or holiday observed by either Party, the following business day shall then become the due date. If Customer fails to make full payment on or before said due date, Customer shall pay interest on any unpaid amount from the date due to the date upon which payment is received by NPPD. Such interest shall accrue at the rate of three percent (3%) per month.

2. ACCOUNTING DATA

- 2.1 If requested by Customer, NPPD shall submit accounting data for any billing for Services furnished hereunder. Such data shall include sufficient detail to enable Customer to audit the charges identified in said billing.

3. DISPUTE RESOLUTION

- 3.1 If Customer desires to dispute all or any portion of a billing for Services provided by NPPD, Customer shall nevertheless pay the full amount of said billing when due. Within sixty (60) days of the due date of such billing, Customer shall notify NPPD in writing of the grounds and amount of the billing dispute. Customer shall not be entitled to any adjustment on account of any disputed billing not brought to NPPD's attention within the time and in the manner herein specified. If settlement of the dispute results in a refund to Customer, the amount refunded shall not exceed the amount identified as being in dispute.

4. BILLING DETAIL

- 4.1 Billing for Services provided to Customer by NPPD shall be in accordance with NPPD's current applicable Service Rate Fee Schedule.

EXHIBIT B

SOS INFORMATION REQUIREMENTS

Column Name	Data Required or Optional	Maximum # of characters	Column Description
Company Name	Required	25	
Local Office	Required	20	Name of the Local/Service Office
Account number	Required	15	
Phone Number	Required	14	Do not include the dashes or (). MUST include area code (10 DIGITS)
Customer Name or Business Name	Required	30	For Customer Name the format is: Last Name First Name Middle Name (or Initial) with only spaces no commas, quotes, dashes etc.
Address Attention Line	Optional	30	Second name or in care of name
Address Line 1	Required	30	Service Address if possible
Address Line 2	Optional	30	
City	Required	25	
State	Required	2	State Code (ex. NE, IA, etc.)
Zip Code	Required	10	Can include the dash for 10 digit zip
Account Type	Required	40	(ex. Residential , Rural Residential, Irrigation, Annual, etc.)
Meter Number	Required	15	
Service Address Location	Optional	30	Can use for additional account identifier (Shop, house, well, feedlot, etc.)
Legal Description	Required	14	
Substation Name	Required	35	
Feeder	Required	4	
Phase	Required	4	
Transformer Name (or Number)	Optional	25	
Transformer Size	Optional	5	
Line Section	Optional	100	
Comments	Optional	30	

NPPD Outage Call Handling Pricing Schedule

Set up Charges (One-time charges)

Initial Set Up = \$3,000

IVR Set Up = \$4,700

Monthly Charges

Base Fee (24x7x365 support)

This is calculated by taking total meter count X \$0.14

SOS License Fee*

*SOS is the system we utilize to enter outage tickets

*The fee is \$50 per user, up to 2 users - discounts for additional users

SOS Active*

*Power Partner use of SOS as outage management solution

* The fee is \$.01/meter for year 1 and 2; \$.02/meter for year 3+

Phone Charges

Network Circuit = \$22/month

Toll Free Number (\$85 - \$105)/month

Utility must provide a toll-free number to the AT&T cloud (NPPD will help coordinate this)

All phone bills per month passed through to Power Partner at cost

Call Charges

\$0.84 per minute on inbound/outbound calls handled by a Specialist

\$0.50 per call for IVR handled calls

April, 2016

RESOLUTION 2016-94

WHEREAS, the City of Grand Island's Utilities Department provides 24 hour service for all power dispatching, electric substation operations, and a command center that monitors system operations, schedules power transactions with the regional electric system operator, coordinates power generation, and answers the Department's trouble phone lines; and

WHEREAS, this system is normally sufficient, however, during storms and other abnormal conditions, the one individual manning the center during nights, weekends and holidays can be overwhelmed by the amount of calls, in addition to monitoring and responding to the system operation and dispatching crews; and

WHEREAS, the Nebraska Public Power District (NPPD) recently expanded its call answering center and this call answering facility could address many of the issues facing Grand Island Utilities, and

WHEREAS, NPPD provided a proposal to Grand Island for services in which all Grand Island system customer calls would be received by NPPD, and the issue of the call immediately entered into a trouble call system that would be monitored by Grand Island personnel; and

WHEREAS, a five year agreement is proposed by NPPD, with a one-time setup charge of about \$7,700.00 and a monthly charge of around \$4,300.00, based on the number of customers and calls answered; and

WHEREAS, the Legal Department has reviewed and approved the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Customer Outage Call Processing Service Agreement between the Nebraska Public Power District and the City of Grand Island is approved, and the Mayor is hereby authorized to sign the agreement on behalf of the City of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, April 26, 2016

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
April 22, 2016	☐ City Attorney