



City of Grand Island

Tuesday, February 10, 2015

Council Session

Item G-14

**#2015-41 - Approving Utility Billing Customer Information System
– N. Harris Computer Corporation Change Order #1**

Staff Contact: William Clingman, Interim Finance Director

Council Agenda Memo

From: William Clingman, Interim Finance Director
Timothy G. Luchsinger, Utilities Director
Stacy Nonhof, Assistant City Attorney

Meeting Date: February 10, 2015

Subject: Utility Billing Customer Information System – N. Harris
Computer Corporation Change Order #1

Item #'s: G-14

Presenter(s): William Clingman, Interim Finance Director

Background

On July 9, 2013, a contract with N. Harris Computer Corporation for a new Utility Billing Customer Information System was approved by Council. The system is replacing an in-house computer system that was original developed by the City in the early 1980s.

Discussion

In late 2014, a “Go Live” date of February 1, 2015 was set for the Utility Billing System, based on the remaining activities required for completion, including testing by City staff. Substantial testing of the system has not been completed due in part to changes with key personnel and in vacation carryover hours that took effect on January 31, 2015 as a result of the new IBEW-Finance and IBEW-Service Clerical contracts. Over 1,000 hours of vacation were needed to be taken over the months of October 2014 to January 2015 by Finance Department staff, and many of the new Utility Billing System activities were put on hold in order to continue essential City business operations.

Upon review of the remaining testing and other required activities, the projected “Go Live” date is now April 1, 2015. N. Harris Computer Corporation, operating under the subsidiary Advanced Utility Systems, has agreed to a 50/50 shared cost for the additional hours required on their part for the months of February 2015 and March 2015. This additional cost is based on unit pricing included in the contract and will be \$15,000.00 per month, or a total of \$30,000.00 for the new “Go Live” date.

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 Council award Change Order #1 to the Contract for Utility Billing Customer Information System in the amount of \$30,000.00.

Sample Motion

Move to approve Change Order #1 for Utility Billing Customer Information System with N. Harris Computer Corporation in the amount of \$30,000.00.



TO: N. Harris Computer Corporation
1 Antares Drive, Suite 400
Ottawa, Ontario K2E 8C4

PROJECT: Utility Billing Customer Information System

RE: Change Order #1

You are hereby directed to make the following change in your contract:

1. Additional payment per the attached quotations:

ADDITION of \$30,000.00

The original Contract Sum	<u>\$ 932,500.00</u>
Previous Change Order Amounts	<u>\$ 0.00</u>
The Contract Sum is increased by this Change Order	<u>\$ 30,000.00</u>
The Contract Sum is decreased by this Change Order	<u>\$ 0.00</u>
The total modified Contract Sum to Date	<u>\$ 962,500.00</u>

Approval and acceptance of this Change Order acknowledges understanding and agreement that the cost and time adjustments included represent the complete values arising out of and/or incidental to the work described therein.

APPROVED: CITY OF GRAND ISLAND

By: _____

Date: _____

Attest: _____

Approved as to Form, City Attorney

ACCEPTED: N. Harris Computer Corporation

By: _____

Date: _____

City of Grand Island CIS Infinity Change Order

Date: Feb-03-2015

Change ID: Change Order # 1 (v1.1)

Description: Go-Live Date Extension

Authorization

Advanced Utility Systems (*A division on N. Harris Computer Systems*) is authorized to proceed with the change for The City of Grand Island

Project Role	Team Member	Signature / Date of Signature
Grand Island Authorized Sponsor		
		Date:
Advanced Project Manager	Jeff Bissonnette	
		Date: 2015-02-03

Change Details

The City of Grand Island and Advanced Utility Systems Corporation (AUS) entered into a Purchase License Agreement (the Agreement) on July 9, 2013. The Software License and Implementation Agreement and Section 5 of the Scope of Work provides that any changes to the project which impact project schedules, costs, resources and risk must go through a clearly defined Charge Order Process. Based on that provision, Advanced presents the following Change Order to The City of Grand Island.

Due to delays in Project deliverables, the original Go-Live date of September 2014 was extended to February 2nd, 2015. It was agreed that AUS would absorb the additional hours needed to extend the project to February 2, 2015.

As the City of Grand Island project team has since acknowledged that the February 2nd date is not attainable due to the amount of work yet to be done via testing and other key activities, a request has been put forward to further extend the Go-Live date.

As additional hours are needed to support this extension, The City of Grand Island and AUS have agreed to split the remaining hours (based on a run rate of 200 hours per month) until Go-Live completion.

This monthly amount will be billable at the beginning of each new month (beginning in February) until sign-off of Go-Live. The revised Go-Live date has been tentatively set for the final week of March.

If the Project is extended beyond the March, 2015, a new Change Order will be reviewed for any additional hours that may be required.

Note: Any additional on-site visits that exceed the project travel budget will be the responsibility of the City of Grand Island and invoiced separately based on the actual expenses incurred by Advanced Utility Systems.

Hours / Costs *

Requirement	Hours	Cost (\$USD)
Project extension – Month of February 2015	100 hrs. @ \$150.00	\$15,000.00
Project extension – Month of March 2015	100 hrs. @ \$150.00	\$15,000.00
Total		\$30,000.00

* Net of applicable taxes and associated expenses

RESOLUTION 2015-41

WHEREAS, N. Harris Computer Corporation of Ottawa, Ontario, was awarded the contract for the Utilities Billing Customer Information System, at the July 9, 2013 City Council meeting; and

WHEREAS, substantial testing and other requirements of the system have not been completed; and

WHEREAS, to provide for completion of these activities, City staff and N. Harris Computer Corporation are planning a two month delay in the go live date for the software; and

WHEREAS, N. Harris Computer Corporation will incur additional costs to support this revised go live date; and

WHEREAS, Change Order #1 was prepared for a contract adjustment of an additional amount of \$30,000.00, resulting in a final contract amount of \$962,500.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Change Order #1 with N. Harris Computer Corporation, of Ottawa, Ontario, resulting in an additional cost of \$30,000.00, for a final contract price of \$962,500.00, is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, February 10, 2015.

Jeremy L Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
February 6, 2015	☐ City Attorney