



**City of Santa Ana**  
**20 Civic Center Plaza, Santa Ana, CA 92701**  
**Staff Report**  
**January 18, 2022**

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**TOPIC:** Utility Billing Software Upgrade Program Management

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**AGENDA TITLE:**

Approve a Second Amendment to Agreement with E Source Companies, LLC (formerly known as UtiliWorks Consulting, LLC) for Utility Billing Software Upgrade Program Management for an Amount not to exceed \$45,936, Which Includes a General Contingency of \$4,176 (Non-General Fund)

**RECOMMENDED ACTION**

Authorize the City Manager to execute a second amendment to an agreement with E Source Companies, LLC (formerly known as UtiliWorks Consulting, LLC) for project management related to the City's utility customer service and billing system upgrade in a base amount of \$41,760 and a general contingency amount of \$4,176, for a total amount not to exceed \$45,936 subject to non-substantive changes approved by City Manager and City Attorney.

**DISCUSSION**

Beginning in Fiscal Year 2019-20, the Finance and Management Services ("FMSA"), Public Works ("PWA"), and Information Technology ("IT") agencies undertook development of a program for the implementation of Advanced Metering Infrastructure ("AMI") to provide modern smart metering services for the City's water utility operation. In March 2020, the Treasury and Customer Service Division of FMSA ("Treasury") started a comprehensive upgrade to the City's existing water, sewer, sanitation, and refuse customer information service/utility billing system, "enQuesta", to ensure the City is keeping up with best practices as they relate to utility customer service, billing technology, and to ensure compatibility with AMI systems. PWA has been working on the planning and design of the Advanced Metering Infrastructure ("AMI") project. The AMI project involves the replacement of the City's existing water meters with new smart meters, which are capable of being read automatically and provide the consumer with up-to-date information on their water use. The proposed project is extensive—involving the replacement of approximately 45,000 meters, the upgrade of existing software and integration of new software and database systems, and the installation of a network of data collectors and transmitters.

In anticipation of this project, PWA has been securing grant funding, identifying meter operations goals and objectives, along with business process update requirements and public communication outreach plans in preparation for the AMI deployment. To date, the City has been awarded a \$4 million grant from the State of California Natural Resources Agency and \$1.5 million in grant funds from the Federal Bureau of Reclamation for the AMI project. The total AMI project cost is estimated to be \$29.7 million and the balance not covered by grant funds will be paid for using water enterprise capital improvement funds. Staff continues to seek additional grant funds to further reduce the net cost impact to our ratepayers.

On May 7, 2019, at the conclusion of a competitive bid process, the City Council approved an award to E Source Companies, LLC (formerly known as Utiliworks Consulting, LLC) to provide planning and implementation services for the AMI project. E Source Companies, LLC ("E Source") has been performing exceptionally well in the preparation of AMI requirements, business process reengineering and Request for Proposal preparation. Therefore, staff recommends the approval of a Second Amendment to Agreement with E Source to continue their utility billing software upgrade project management services. Thorough data conversion, testing, and training in a phased, controlled deployment ensures a successful transition to better automation and service management within billing services and PWA. E Source is also providing project management services for the AMI installation.

Delays due to the COVID-19 pandemic and supply chain impacts have caused the remaining activities to be extended beyond the original projected completion date. Therefore, staff recommends the approval of a Second Amendment to Agreement with E Source for utility billing software upgrade program management.

#### **ENVIRONMENTAL IMPACT**

There is no environmental impact associated with this action.

#### **FISCAL IMPACT**

Funds for this agreement are budgeted and available for expenditure as follows:

<b>FY</b>	<b>Accounting Unit - Account No.</b>	<b>Fund Description</b>	<b>Accounting Unit - Accounting No. Description</b>	<b>Contracted Amount</b>	<b>Annual Rate Increase (Contingency)</b>	<b>Maximum Amount</b>
<b>2021-22</b>	06617647-66301	Acquisition & Construction	Water Utility Capital Projects - Water Capital Projects	\$41,760	\$4,176	\$45,936

	<b>Subtotal:</b>	<b>Subtotal:</b>	<b>Grand Total:</b>
	\$41,760	\$4,176	\$45,936

**EXHIBIT(S)**

1. Second Amendment to Agreement with E Source Companies, LLC

Submitted By: Nabil Saba, PE, PWA Executive Director and Kathryn Downs, CPA,  
FMSA Executive Director

Approved By: Kristine Ridge, City Manager