

# Agenda Report

DATE: NOVEMBER 2, 1998

**TO:** CITY COUNCIL

**FROM:** CITY MANAGER

**SUBJECT:** AUTHORIZATION TO EXTEND THE CONTRACT WITH ORCOM SYSTEMS, INC., FOR MAINTENANCE SERVICE AND SUPPORT FOR THE WATER AND POWER UTILITY BILLING SYSTEM

**RECOMMENDATION:**

It is recommended that the City Council authorize the General Manager of the Water and Power Department (Department) to extend the maintenance service contract for the existing utility billing system for a period of up to one year with OrCom Systems, Inc., unless terminated earlier by the Department.

**BACKGROUND:**

The City Council approved Contract No. 15,408 on May 10, 1994, between the City and OrCom Systems, Inc. to purchase and install a utility billing hardware and software system for billing and data management services related to electricity, water, sewage and solid waste.

On November 6, 1995, the City Council authorized the City Manager to use OrCom Systems, Inc., the original supplier of the utility billing system, to provide maintenance service and support for the City's utility billing system in accordance with Contract No. 15,408 for a period of three years.

Contract No. 15,408 will expire on November 6, 1998. However, ongoing support is necessary to maintain the existing billing software and to comply with warranty provisions of the Contract. The City Council has directed the Department to offer direct access for Pasadena electric customers January 1, 2000 and in this regard a new deregulation-ready Customer Information System will be needed to replace the existing system within the next twelve months.

This contract will not have any impact regarding on-going strategic alliance discussions, options, and/or outcomes. This contract is on an as "needed basis". The Pasadena Water and Power Department retains the right to terminate the contract with proper notification prior to the twelve-month period.

**FISCAL IMPACT:**

It is estimated that up to \$50,000 may be needed to cover this expenditure. Funds are budgeted to cover this operating expense.


Respectfully submitted,

  
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City Manager

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