



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL
FROM: Robert Fisher, Acting City Manager
PREPARED BY: Art Vela, Public Works Director
MEETING DATE: April 22, 2025
SUBJECT: Update on the City's Utility Billing Issues

RECOMMENDATION:

Receive and file update on the City's Utility Billing Issues and provide direction on the waiver of certain fees.

BACKGROUND:

On November 1, 2024, the City of Banning implemented a new utility billing software system, Milsoft, with the goal of improving the utility billing processes and providing interconnectivity with other Milsoft software packages utilized by the Banning Electric Utility. However, the Milsoft rollout encountered substantial technical and operational issues, impacting the City's ability to produce timely utility bills.

By late December 2024, City management determined it was in the best interest of the City to revert to the previously used software, CentralSquare/Naviline. This rollback effort involved coordination with a third-party contractor to extract and manipulate utility meter read data collected in Milsoft, ensuring compatibility with the legacy system. Due to formatting and system differences, many data entries required manual input by staff.

Update

As of March 1, 2025, the Finance Department, Utility Billing Division successfully reverted to the CentralSquare/Naviline billing software for both bill calculations and payment processing. Utility Billing Division staff have dedicated substantial time, including weekends to ensure timely processing and a return to regular monthly billing operations.

To address the months missed during the system transition, customers can expect to receive "catch-up" billing statements every few weeks. These statements will reflect utility usage and charges that were delayed due to the system change. Barring unforeseen impacts to staff resources, Utility Billing staff anticipates that regular, up-to-date monthly billing will resume by the end of July, 2025.

To ensure a smooth transition, staff manually re-keyed all customer payments made between November 1, 2024, and February 28, 2025. These payments—whether made in person at the counter, through the e-Biz website (Milsoft customer portal), or mailed to the City's L.A. lockbox—are now fully accounted for and accurately reflected in customer utility accounts (see attached redacted bill). Customers are encouraged to carefully review upcoming bills, as credits will be applied accordingly and reflected in their current account balances. Utility Billing staff will be made available to support customers who need help reconciling their account activity.

The transition to the Milsoft system required the discontinuance of the pre-existing online customer payment portal and introduction to credit card readers compatible with the Milsoft system which were all up and active during the Milsoft rollout. With the reversion to Navaline, staff has commenced working with the previous vendor of the City's online payment portal and in-person credit card processing services. These payment services are underway and expected to be back online by the first week of May. Once active, customers who were previously registered will not need to re-enroll in autopay or recurring payment services. That said, it is strongly recommended that users review and confirm their saved bank account information for accuracy. The updated portal will also allow customers to resume paperless statement preferences and access historical billing statements online.

In the interim of having the customer payment portal and ability to take credit card payment available, utility payments can be made in several ways. Customers may deposit checks or money orders in the secure, 24/7 drop box located in the Police Department parking lot off Hays Street. In-person payments using cash or check are accepted at City Hall customer service counters Monday through Friday from 8:00 a.m. to 5:00 p.m. Additionally, mailed payments may be sent either to the City's L.A. lockbox or directly to City Hall. Mailed payments will continue to include online bill payments through customer's banks which are mailed to the City.

Customers who have not made payments on their account over the past five months are strongly encouraged to contact City Hall. Staff is available to discuss reasonable payment plan options and provide assistance. Customer Service can be reached by visiting in person, by email at ubweb@banningca.gov, or by calling (951) 922-3185, Monday through Friday, 8:00 a.m. to 5:00 p.m.

Payment plans will be available for customers upon request (see attached form), although it is staff's recommendation that payment plans are not provided until bills are caught up (i.e. July) in order to avoid multiple amendments to a payment plan.

Staff is seeking direction from City Council on waiver of late fees (\$18.00) and credit card fees (3%).

JUSTIFICATION:

The purpose of this report is to provide City Council and the public with an update on the City's utility billing issues.

Payment plan options and the waiver of certain fees (late and credit card fees) will lessen the burden on customers associated with the issues related to utility billing.

FISCAL IMPACT:

The rollback process required significant staff time, the engagement of third-party services, and the procurement of compatible hardware, all of which have a fiscal impact on departmental budgets.

The resolution of the utility billing issues will allow the City to collect \$1,000,000's of unbilled uses for the Electric, Water and Wastewater Utilities.

Then City will incur expense related to credit card fees if they are waived for the customer. Typically, these fees amount to approximately \$200,000 per year.

There is also a fiscal impact to those customers that have not made payments to their utility billing accounts since November. The Finance Department, Utility Billing Division will work with customers to develop possible payment plan options. Staff is seeking direction from City Council regarding the waiver of late fees for unpaid balances, payment plans and no shut-offs during the payment plan term.

ALTERNATIVES:

N/A

BUDGETED?:

No

CONTRACT/AGREEMENT:

No

ATTACHMENTS:

1. [Redacted Bill Showing Credits for Prior Payments.pdf](#)
2. [November Billing Insert.pdf](#)
3. [Payment Plan Form and Guidance.pdf](#)
4. [Back of Bill Info.pdf](#)
5. [LIHEAP ENG-SP_v24-1.pdf](#)