



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Lincoln Bogard, Administrative Services Director

MEETING DATE: January 28, 2025

SUBJECT: Discussion Regarding Utility Billing Issues and Efforts to Correct Errors and Bring Billing Current

RECOMMENDATION:

Provide feedback and direction.

BACKGROUND:

The City has historically used NaviLine Customer Information System for its Utility Billing solution. On April 26, 2022, the Electric Utility Director brought an item to City Council for consideration to approve a contract with Milsoft Utility Solutions, Inc. for Utility Billing purposes. City Council approved that contract; however, no Request for Proposals or cooperative purchasing agreement was used as required by Purchasing Policy (B-30). Only quotes were obtained. That approving staff report is located on page 60 of the City Council Agenda linked below.

<http://banning.ca.us/ArchiveCenter/ViewFile/Item/2627>

Milsoft was implemented by City Staff on November 1, 2024. The Administrative Services Director explained to Milsoft that he was not comfortable with going live at that time. Milsoft said that everything was ready and that with the data, it would be catastrophic to not implement as scheduled. Staff had run parallel billing between the systems in September and October and was able to reconcile all activity, so the decision was made to go ahead with the implementation.

Staff was unable to bill a single route until mid-November and it took until the end of December to bill November. Staff determined that Milsoft had improperly coded some water billing codes and that many billing errors had occurred. One correction to a developer payment took nine days to resolve. Staff has a full folder of the issues identified in the first two months of implementation.

On December 20, 2024, the City Manager provided Milsoft a 30-day notice of cancellation and notified Council of the action. Milsoft asked the City to reconsider and give more time to correct the issues identified. Staff is working to get the old NaviLine Customer Information System back up and running. We have coordinated with the bank, the payment portal host, paper statement provider, and NaviLine to revert.

Staff is working with NaviLine on a way to bring the billing detail into NaviLine in an upload format to save time and bring billing current as quickly as possible. We will be sending messages to customers stating that new bills for the month of November will be calculated in NaviLine and billing for December will be processed shortly afterward. We will be bringing all payments made to Milsoft bills into NaviLine prior to November billing so that those payments will be reflective in the bills provided.

JUSTIFICATION:

This was a failed implementation. Staff is taking action to rectify the utility billing issues identified during the Milsoft go-live.

FISCAL IMPACT:

Staff time and overtime from the failed implementation and reverting back to the previous system. We may contract with NaviLine for assistance in creating an import for billing to help speed the conversion process back to NaviLine.

ALTERNATIVES:

Provide feedback and direction.

BUDGETED?:

No

CONTRACT/AGREEMENT:

No

ATTACHMENTS:

1. [Milsoft Agreement.pdf](#)
2. [CityofBanning Quotes 51167&51216.pdf](#)
3. [Banning - Notice of Default and Termination \(Milsoft\).pdf](#)