



## Legislation Details (With Text)

**File #:** 22-2543      **Version:** 1      **Name:**

**Type:** CONSENT AGENDA      **Status:** Approved

**File created:** 10/19/2022      **In control:** Office of Procurement Services

**On agenda:** 11/9/2022      **Final action:**

**Title:** Authorize a five-year service contract to establish a master agreement for an electronic payment processing service for the Water Utilities Department with Paymentus Corporation through an interlocal agreement with the City of Odessa - See attached Fee Schedule, Schedule A - Estimated expenditure: \$15,000,000 - Financing: Dallas Water Utilities Fund (subject to annual appropriations)

**Sponsors:**

**Indexes:** 100

**Code sections:**

**Attachments:** 1. Resolution, 2. Schedule A, 3. Paymentus Fee Schedule

Date	Ver.	Action By	Action	Result
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**STRATEGIC PRIORITY:** Government Performance & Financial Management

**AGENDA DATE:** November 9, 2022

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Jack Ireland

### SUBJECT

Authorize a five-year service contract to establish a master agreement for an electronic payment processing service for the Water Utilities Department with Paymentus Corporation through an interlocal agreement with the City of Odessa - See attached Fee Schedule, Schedule A - Estimated expenditure: \$15,000,000 - Financing: Dallas Water Utilities Fund (subject to annual appropriations)

### BACKGROUND

This action does not encumber funds; the purpose of service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract will provide for electronic payment processing services for the Water Utilities Department (utility invoices, permits, and fees). Other departments that will utilize this agreement are Department of Sanitation Services (solid waste), 311 (Customer Service), Fire-Rescue Department (permits and alarms), Department of Aviation (rental fees and fuel), Department of Code Compliance (liens and permits), Sustainable Development (water & wastewater permits), Police Department (vice applications), Department of Housing & Neighborhood Revitalization (liens and loans), City Controller

Office (view only), City Attorney's Office (view only) and Vital Statistics (birth and death certificates).

This service contract provides for anticipated changes in banking and credit card services in response to the evolution of technological and security requirements for which the City must comply. This service meets Payment Card Industry Data Security Standard (PCI-DSS-12) compliance and ensures continuous credit card services through face-to-face, interactive voice response, and ePay channels for City customers.

It also will serve as the initial contract for services for the validation, tokenization and processing of all payments used by residents for payments of water bills, miscellaneous fees, and permits via web, point of sale, and via phone.

The City invoices approximately 331,000 utility and non-utility accounts on a monthly basis. Approximately 30 percent of the overall payments were received through credit card payment transactions, totaling over 972,000 payments processed and \$202 million in generated revenue in fiscal year 2020-21. Credit card payments are accepted from five credit card types: American Express, Visa, Mastercard, Diners Card and Discover.

The interlocal agreement with City of Odessa is authorized by Chapter 791 of the Texas Government Code and Subchapter F, Chapter 271, Texas Local Government Code. Section 271.102 of the Texas Local Government Code which authorizes a local government to participate in a Cooperative Purchasing Program with another local government or a local cooperative organization.

#### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On April 11, 2018, City Council authorized Supplemental Agreement No. 4 to exercise the first of two, two-year renewal options to the service contract with Paymetric, Inc. for credit card processing services for numerous departments, managed by the Water Utilities Department, by Resolution No. 18-0545.

On June 10, 2020, City Council authorized Supplemental Agreement No 5. to exercise the second of two, two-year renewal options to the service contract with Paymetric, Inc for credit card processing services for numerous departments, managed by the Water Utilities Department, by Resolution No. 20-0925.

#### **FISCAL INFORMATION**

Fund	FY 2023	FY 2024	Future Years
Dallas Water Utilities Fund	\$3,000,000.00	\$3,000,000.00	\$9,000,000.00

#### **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Procurement Category	M/WBE Goal
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\$15,000,000.00	Other Services	N/A
<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
N/A	N/A	N/A
<ul style="list-style-type: none"> <li>• The Business Inclusion and Development Policy does not apply to Interlocal Purchasing Agreements.</li> </ul>		
<ul style="list-style-type: none"> <li>• Paymentus Corporation - Non-local; Workforce - 0.00% Local</li> </ul>		

## **PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Interlocal Purchasing Agreement	<ul style="list-style-type: none"> <li>• Interlocal purchasing agreements enable the City to associate with State agencies, other local governments, or local cooperative organizations comprised of other state and local governments, to leverage market buying power and enable the City to purchase goods or services at lower prices</li> <li>• The interlocal purchasing agreement is an alternative method of meeting the requirements for competitive bidding or competitive sealed proposals, not an exception from that requirement</li> </ul>
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## **OWNER**

### **Paymentus Corporation**

11605 N. Community House Road, Suite 300  
Charlotte, NC 28277

Matt Parson, Chief Financial Officer