THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: September 26, 2023

Subject: Paymentus Contract Renewal

Staff Resource(s): Jamie Cagle, Water Resources Billing and Collections Manager

Action Requested: Adoption of a resolution authorizing the City Manager to retroactively execute a multi-year agreement with Paymentus for the Water Resources Department's Interactive Voice Response Payment Acceptance and Electronic Billing and Payments system.

Background:

- Customers can currently pay utility bills via interactive voice response (IVR), one time online payment, auto pay, scheduled payments and pay by text.
- Customers may also sign up for paperless billing online.
- These options were initially implemented in 2018 by the Water Resources Department (WRD) and have been successful.
- The WRD desires to continue this service to meet the needs and expectations of customers by offering user-friendly, up to date technology and flexible ways to view and pay their utility bills.
- The current contract with Paymentus expires 9/13/2023. Services are scheduled to continue beyond the expiration date of the current contract.
- WRD wishes to enter into a new contract that will begin retroactively on 9/14/2023.

Vendor Outreach Efforts:

- On May 22, 2023 the WRD posted RFP #: 298-IVRRFPFY23. This was posted to the NC IPS advertisement site, which includes HUB/Minority vendors.
- In addition, the RFP was posted on the City's website.
- Following a review of proposals received via the RFP process, City Staff selected Paymentus.
- Paymentus was selected as the best product through a scoring process via a review committee.
- It is also the current vendor and will continue to offer services seamlessly for WRD customers.
- Paymentus is not a Minority or Women-owned Business Enterprise.

Council Goal(s):

- Improve and Expand Core Services

Committee(s):

- None

Pro(s):

- This agreement will continue to provide customers with interactive methods to pay their utility bills via phone, text, email, and web.
- This product will integrate with our upcoming AMI customer portal which is currently in the implementation phase.

Con(s):

- None

Fiscal Impact:

- The annual cost of this service is estimated at $375,000 and includes both a service fee for credit/debit card transactions and a fee for electronic checks
- Funding for this contract is available in the Water Resources Department operating budget.

- Future years, including the cost of inflationary increases, will be planned for during the annual budget development process.

Suggested Motion:

- Motion to adopt a resolution authorizing the City Manager to execute a three year agreement with Paymentus starting retroactively on September 14, 2023 with an option to renew annually for an additional two one year extensions for the Water Resources Department Interactive Voice Response Payment Acceptance and Electronic Billing and Payments system for an amount not to exceed $1,300,000 for the initial three-year term of the contract and not to exceed $2,400,000 for the full five years.

Attachment(s)

- Resolution

RESOLUTION NO. 23-_____

RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A NEW THREE-YEAR CONTRACT WITH PAYMENTUS FOR THE WATER RESOURCES DEPARTMENT INTERACTIVE VOICE RESPONSE PAYMENT ACCEPTANCE AND ELECTRONIC BILLING AND PAYMENTS SYSTEM

WHEREAS, the City of Asheville has authority pursuant to Article 3 of Chapter 160A of the North Carolina General Statutes to enter into contracts for services with other entities; and

WHEREAS, the City of Asheville's latest contract for Interactive Voice Response Payment Acceptance has been with Paymentus; and

WHEREAS, the City of Asheville's contract with Paymentus expired on September 13, 2023 but services from Paymentus have continued; and

WHEREAS, the City of Asheville desires to enter into a new contract with the above referenced vendor, beginning on September 14, 2023 and lasting for three years with the option for two consecutive one year renewals; and

WHEREAS, the City of Asheville is seeking authorization to retroactively approve that new contract to begin dated September 14, 2023 ; and

WHEREAS, funding for said work is included in the current fiscal budget in the Water Resources Department Operating Fund as part of the approved annual budget;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The City Manager is hereby authorized to enter into a new three-year contract with Paymentus, retroactively authorize the contract to begin on September 14, 2023, with the option for two one-year renewals after the initial three-year period, and authorize an amount not to exceed $1,300,000 in the first three years and $2,400,000 for the full five years. Further, the City Manager is authorized to execute any change orders to said contract or documents up to the budgeted amount.

Read, approved and adopted this 26th day of September, 2023.

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City Clerk Mayor

Approved as to form:

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City Attorney