

CITY OF HIGH POINT

AGENDA ITEM



Title: Electronic Payment Solution - Change Order 1

From: Bob Martin – Customer Service Director

Meeting Date: June 17, 2019

Public Hearing: N/A

Advertising Date: N/A

Advertised By: N/A

Attachments N/A

PURPOSE:

To approve Change Order No. 1 to Paymentus to cover higher than anticipated transaction costs resulting from payments made by commercial customers with rewards cards.

BACKGROUND:

On October 2, 2017, Council approved a contract to Paymentus for the City's electronic payment solution including IVR, Web and CSR phone payments. Transaction costs for the first two months after implementation were double our expectations due to large commercial customers paying their utility bills with rewards cards. The City and Paymentus implemented new controls and velocity rules beginning with month three which reduced transaction costs to our original expectations. Since the new controls were implemented we have experienced some increased costs due to a 10% increase in adoption rate .

The Customer Service Department is now requesting approval of Change Order 1 to allow payment for services as we reach fiscal year end.

BUDGET IMPACT:

Funds for this change order are available in the FY 2018-19 budget. Funds from Customer Service's operating budget (postage, service contracts and postage) are being re-allocated to electronic payments within other contractual services.

RECOMMENDATION / ACTION REQUESTED:

Customer Service is recommending that City Council approve Change Order 1 to Paymentus which will increase the original contract from \$335,000 to \$435,000. Anticipated cost for FY 2019-20 is \$398,838.