



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: November 18, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Exceleron Software, LLC., for a prepaid utilities solution for the Customer Service Department, which is the sole provider of this software, in accordance with Texas Local Government Code 252.022, which provides that procurement of commodities and services that are available from one source are exempt from competitive bidding, and if over \$50,000, shall be awarded by the governing body; providing for the expenditure of funds therefor; and providing an effective date (File 8923 – awarded to Exceleron Software, LLC., through September 30, 2038, in the not-to-exceed amount of \$15,460,605.23). [The Public Utilities Board recommends approval \(5 - 0\).](#)

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Strengthen Community and Quality of Life.

INFORMATION/BACKGROUND

The purpose of this agenda item is to request Council's approval for expenses to continue offering customers prepaid utility services with Exceleron Software, LLC.

Customer Service began offering prepaid utility services to customers in October 2018. The program provides customers with some of the following values:

- Daily usage and cost information, which can be used to better plan utility expenses
- Reduction of arrears utility charges or large final bills
- Flexibility in payment dates
- No payment penalty fees
- No deposit requirements
- Debt recovery option
- Balance and usage alert options via email, text, or SMS

The City of Denton entered a three (3) year contract with a not-to-exceed amount of \$1,000,000 in August 2014. As a result of complex integrations with the billing and electric AMI systems, Technology Services recommended a lifecycle of 10 years for the product. However, an additional review deemed that the specialization of the software's lifecycle began in October 2018 and provided for a length of 20 years ending in September 2038.

Expenditures are projected for annual adoption and customer base growth, and a maximum participation rate of 15%. Charges are only incurred through customer enrollment and use.

Project Description	Estimated Year Expenditure
FY 25-26	\$203,663.63
FY 26-27	264,794.51
FY 27-28	344,209.02
FY 28-29	447,471.73
FY 29-30	581,737.09
FY 30-31	756,226.42
FY 31-32	983,102.30
FY 32-33	1,278,025.04
FY 33-34	1,661,424.60
FY 34-35	1,748,073.06
FY 35-36	1,835,516.46
FY 36-37	1,927,252.54
FY 37-38	2,023,599.26
Contingency	1,405,509.57
Total	\$15,460,605.23

Section 252.022 of the Local Government Code provides that procurement of sole source commodities and services are exempt from competitive bidding, if over \$50,000, shall be awarded by the governing body.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 27, 2025, the Public Utilities Board (PUB) recommended this item to the City Council for consideration.

RECOMMENDATION

Award with a contract to Exceleron Software, LLC., as a sole source supplier, for a prepaid utilities solution for the Customer Service Department, through September 30, 2038, in the not-to-exceed amount of \$15,460,605.23.

PRINCIPAL PLACE OF BUSINESS

Exceleron Software, LLC.
Dallas, TX

ESTIMATED SCHEDULE OF PROJECT

This contract will expire on September 30, 2038.

FISCAL INFORMATION

This service will be funded from account 630800.7879. Requisitions will be entered on an as-needed basis. The budgeted amount for this item is \$15,460,605.23.

EXHIBITS

Exhibit 1: Agenda Information Sheet

Exhibit 2: Original Contract

Exhibit 3: Presentation

Exhibit 4: Ordinance and Amendment 1

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Christa Foster, 940-349-7412.

Legal point of contact: Marcella Lunn at 940-349-8333.