



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement

ACM: Christine Taylor

DATE: April 28, 2025

SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Credit Systems International, Inc., for unpaid utilities and miscellaneous account collection services owed by customers for various City of Denton departments for the Customer Service Department; providing for the expenditure of funds therefor; and providing an effective date (RFP 8746 – awarded to Credit Systems International, Inc., for one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$545,050.00).

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Foster Economic Opportunity and Affordability.

INFORMATION/BACKGROUND

The City of Denton's Utilities Customer Service, Finance, and Fire Departments have utilized the services of Credit Systems International, Inc. for the past 21 years to assist with the collection of unpaid bills. The current contract expires on October 5, 2025. In an effort to obtain the best value for the City of Denton, Utilities Customer Service partnered with the aforementioned departments to issue a Request for Proposal (RFP) to qualified collection agencies.

Because the collection of debt is handled somewhat differently by each department, the receivables were separated for evaluation purposes into the following three parts: Utilities, and miscellaneous receivables (Part A) and Fire/EMS, Code Enforcement (Part B).

After reviewing each vendor proposal and checking references for Part A – Utilities and Miscellaneous Account Receivables and Part B – EMS Services, Credit Systems International was selected to be awarded the contract. Credit Systems International Inc. provides a comprehensive approach to the collection of unpaid debts for the City's collection efforts. These efforts include but are not limited to proactive phone calls, letter notifications, and credit bureau reporting.

Credit Systems International, Inc. has 44 years of experience in the collection of utility, healthcare, and municipal/governmental debts. In addition to the City of Denton, they serve local municipalities such as the City of Irving, San Marcos, Keller, and North Richland Hills. Staff recommends awarding the contract for the third-party collection agency for outstanding utility bills and miscellaneous charges to Credit Systems International, Inc.

Request for Proposals was sent to 217 prospective suppliers, including four (4) Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertised in the local newspaper. Four (4) proposals were received, references were checked, and proposals were evaluated based upon published criteria, including price, delivery, compliance with specifications, experience, and probable performance. Best and Final Offers (BAFO) were requested from the top firm. Based upon this evaluation, Credit Systems International, Inc. was ranked the highest and determined to be the best value for the City.

NIGP Code Used for Solicitation:	946 - (Service Only) - Financial Services
Notifications sent for Solicitation sent in IonWave:	217
Number of Suppliers that viewed Solicitation in IonWave:	14
HUB-Historically Underutilized Business Invitations sent out:	26
SBE-Small Business Enterprise Invitations sent out:	52
Responses from Solicitation:	4

RECOMMENDATION

Award a contract with Credit Systems International, Inc., for unpaid utilities and miscellaneous account collection services owed by customers for various City of Denton departments for the Customer Service Department, in a one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$545,050.

PRINCIPAL PLACE OF BUSINESS

Credit Systems International, Inc.
Fort Worth, TX

ESTIMATED SCHEDULE OF PROJECT

This is an initial one (1) year contract with options to extend the contract for four (4) additional one (1) year periods, with all terms and conditions remaining the same.

FISCAL INFORMATION

These services will be funded from Utility Customer Service account 870100.7866 and EMS account 320001.7866. Requisitions will be entered on an as-needed basis. The budgeted amount for this item is \$545,050. The City will only pay for services rendered and is not obligated to pay the full contract amount unless needed.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Pricing Evaluation
Exhibit 3: Ordinance and Contract

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

For information concerning this acquisition, contact: Autumn Perkins, 940-349-7409.

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