

Prepaid Utilities Program

Award of Contract 8923



**Christa Foster,
Customer Service Manager
November 18, 2025**

25-1933

Background

City of Denton introduced prepaid utilities in October 2018. The original review by Tech Services indicated the platform be a 10 year lifecycle. The follow up review indicated a 20 year lifecycle is more appropriate. Due to the implementation challenges, it was determined that the lifecycle begin with the implementation year.

Services Provided:

- ✓ Daily usage & cost information to better plan utility expenses
- ✓ Reduction of arrears utility charges or large final bills
- ✓ Flexibility in payment dates
- ✓ No deposits or payment penalty fees
- ✓ Debt recovery option
- ✓ Balance and usage alert options via email, text, or SMS
- ✓ Daily usage monitoring for post-paid customers

Financial Information

Cost projections were calculated at current engagement rates and allow for annual 5% increase to customer base and caps growth at 15% of the customer base. **The cost of the contract is fully covered by the prepaid facility fee paid by the customer.**

Any costs associated to corresponding growth would be brought to Council for approval through the budget process.

Project Description	Estimated 13-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

Action Requested

Award a contract with Exceleron Software, LLC, in the not-to-exceed amount of \$15,460,605.23 with costs fully covered by the prepaid facility fee paid by the customer.

The award will be a 3 year term with 10 one-year optional renewals ending 9/8/2038.

Questions

