Utility Pay Stations

Briefing to the City Council
Neighborhood Quality of Life Committee
August 29, 2006
Purpose

• To provide an overview of the utility pay stations’ functions and operations, as well as the community needs they serve
Background

• Utility Pay Stations (UPS) sites
  – Martin Luther King, Jr. Community Center (MLKCC)
  – West Dallas Multipurpose Center (WDMC)
• In operation since 1987
Operations

• Core Services
  – Utility payment processing for TXU, Atmos, Dallas Water Utilities
    • MLK also offers processing for Dallas Courts
    • Telephone utility payments discontinued Dec. 2002
• Transaction Fees
  – No fees to customers until July 2001
  – $1 per transaction for TXU/Atmos payments
    • Registered seniors (60+) and clients with disabilities are exempted
    • $0.45 paid to third-party transaction service; City retains $0.55
    • About $12,000 collected annually in FY05-06 for social service programs
      – City collected about $189,000 annually before fees enacted in July 2001
Operations

• Hours of Operation
  – MLKCC
    • 8 a.m. to 6 p.m., Mondays through Fridays
  – WDMC
    • 8 a.m. to 6:30 p.m., Mondays and Thursdays
    • 8 a.m. to 4 p.m., Tuesdays, Wednesdays, Fridays

• Staffing Levels
  – MLKCC: 3.9 FTEs funded – currently 2 permanent, 3 temporary positions filled
  – WDMC: 1.9 FTEs funded – currently 2 permanent, 1 temporary positions filled
Transaction Counts

[Bar chart showing transaction counts for different years (FY01-02 to FY05-06YTD) and categories: Electric, Gas, Telephone, Water, Courts.]
Customer Trends

• Reductions in transactions attributed to:
  – Implementation of fees in 2002
  – Loss of telephone payment processing in 2002
  – Reduced hours of service and staffing
  – Alternative payment options
Community Needs

- Customer Service Survey, April 2006

<table>
<thead>
<tr>
<th>Utility bills paid at this facility</th>
<th>MLK</th>
<th>WDMC</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>All three (electric, water, gas)</td>
<td>73</td>
<td>48</td>
<td>121</td>
<td>60.5%</td>
</tr>
<tr>
<td>Electric and Water</td>
<td>8</td>
<td>19</td>
<td>27</td>
<td>13.5%</td>
</tr>
<tr>
<td>Water</td>
<td>5</td>
<td>15</td>
<td>20</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reasons for paying bills at this facility</th>
<th>MLK</th>
<th>WDMC</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closer to home/convenient location</td>
<td>49</td>
<td>43</td>
<td>92</td>
<td>46.0%</td>
</tr>
<tr>
<td>Easier and faster</td>
<td>20</td>
<td>24</td>
<td>44</td>
<td>22.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Level of satisfaction with the UPS</th>
<th>MLK</th>
<th>WDMC</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely satisfied</td>
<td>54</td>
<td>56</td>
<td>110</td>
<td>55.0%</td>
</tr>
<tr>
<td>Very satisfied</td>
<td>44</td>
<td>33</td>
<td>77</td>
<td>38.5%</td>
</tr>
</tbody>
</table>
MLKCC Customer Base
## Community Needs

- **Customer Service Survey, April 2006**

<table>
<thead>
<tr>
<th>Recommendations to improve services</th>
<th>MLK</th>
<th>WDMC</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Everything is good/excellent service</td>
<td>11</td>
<td>22</td>
<td>33</td>
<td>16.5%</td>
</tr>
<tr>
<td>Keep it the way it is/stay here</td>
<td>3</td>
<td>14</td>
<td>17</td>
<td>8.5%</td>
</tr>
<tr>
<td>Have more employees</td>
<td>4</td>
<td>4</td>
<td>8</td>
<td>4.0%</td>
</tr>
<tr>
<td>Have more tellers</td>
<td>3</td>
<td>6</td>
<td>9</td>
<td>4.5%</td>
</tr>
<tr>
<td>Stay open a little later</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>1.5%</td>
</tr>
<tr>
<td>Provide assistance with paying phone bills</td>
<td>10</td>
<td>2</td>
<td>12</td>
<td>6.0%</td>
</tr>
<tr>
<td>Provide faster service for older customers</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1.0%</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>4</td>
<td>4</td>
<td>2.0%</td>
</tr>
<tr>
<td>No response</td>
<td>66</td>
<td>46</td>
<td>112</td>
<td>56.0%</td>
</tr>
</tbody>
</table>
Community Needs

• Customer survey, May 2006
  – What other services would you like offered at the pay stations?
  • 80% Money orders/check cashing
  • 63% Postage stamps
  • 63% Automated teller machine
  • 62% Faxing/copying services
  • 60% Traffic ticket payments
  • 58% Notary services
  • 40% Wire transfer services
  • 37% Long distance calling card sales
  • 34% Child support payments
RFP Process

- Request for Proposals (RFP) issued August 4, 2006
  - Deadline August 25, 2006
- Contractor Role
  - Provide payment processing operations, including staff, equipment, ancillary services
    - Seniors/disabled persons would not pay fees for utility bill payments
  - Provide a City-approved set of other services for fees, e.g. sales of money orders, check cashing, non-utility bill payments
  - Pay the City a specified portion of revenues
- City would provide facilities, utilities and security services
Next Steps

• Proposal evaluation in progress
• Brief Quality of Life committee with recommendation on September 11, 2006
• Council consideration of award of contract September 27, 2006