



DETROIT  
**Water & Sewerage  
Department**

# DivDat Discussion

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# DivDat Background



- Also known as Diversified Data Processing and Consulting, Inc.
- First agreement with DWSD in 2016.
- Focused on payment kiosks in the community .
- Seven of these kiosks are installed and maintained exclusively in DWSD service center locations and at City Hall.
- Today DivDat provides over 40 kiosks in and around the City of Detroit where DWSD customers can pay their water bills.

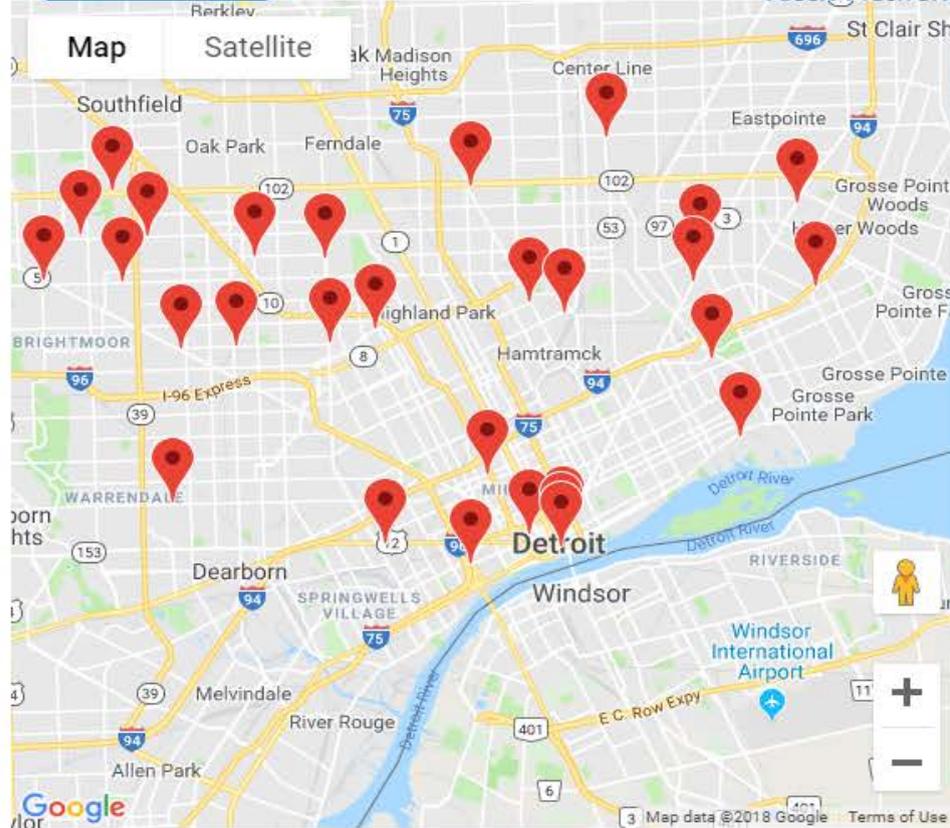


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Learn More About DivDat



800-356-8561



35 locations

Enter a ZIP code or city:  Distance: 25 Miles Search

Apollo Market

20250 W Seven Mile Rd  
Detroit, MI 48219  
Monday to Saturday: 8:00 AM to 9:00 PM; Sunday: 8:00 AM to 7:00 PM

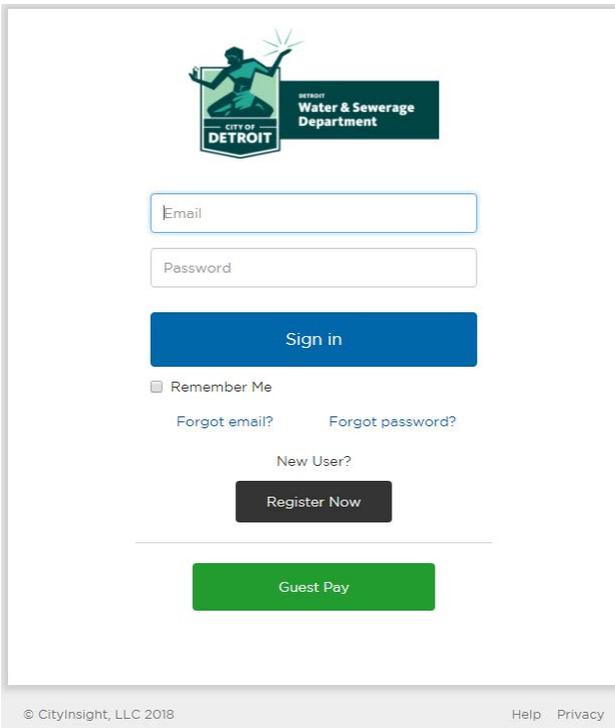
Bills you can pay:  
**Detroit Water and Sewerage, City of Detroit Property Tax, City of Detroit Rental Escrow, DTE Energy, Wayne County Treasurer**  
Directions

Coleman A. Young Municipal Center

2 Woodward Ave  
Detroit, MI 48226  
M, Tu, Th, F: 8:00 AM to 4:30 PM; Wednesday: 8:00 AM to 6:30 PM  
\* Two bill payment kiosks available at this location  
Bills you can pay:



# DivDat and DWSD's Customer Payment Portal

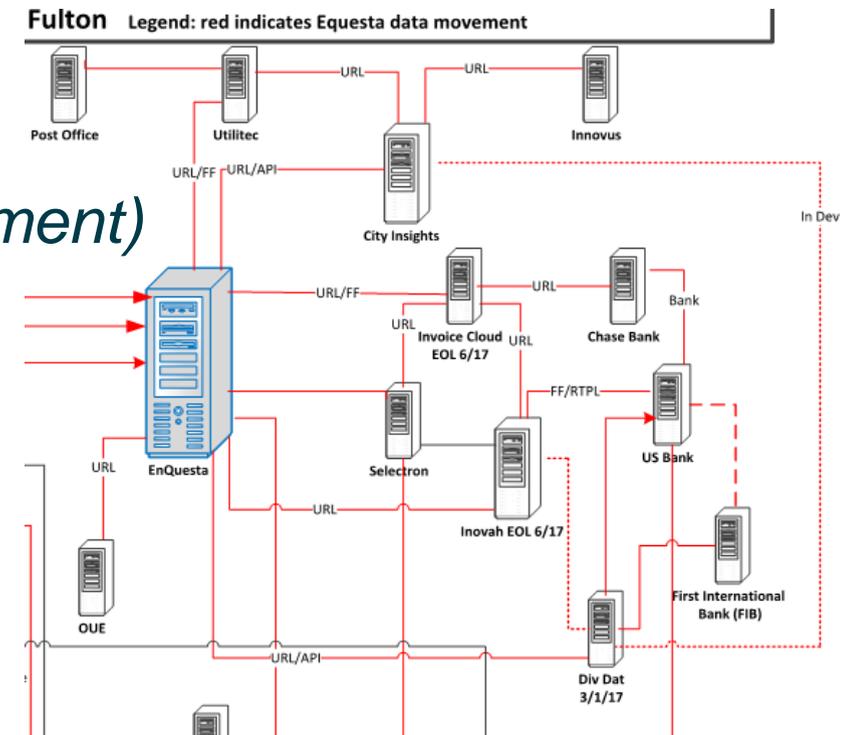


The screenshot shows the login interface for the DWSD Customer Payment Portal. At the top left is the City of Detroit Water & Sewerage Department logo. Below it are two input fields: 'Email' and 'Password'. A blue 'Sign in' button is positioned below the password field. Underneath the button is a 'Remember Me' checkbox, followed by links for 'Forgot email?' and 'Forgot password?'. A 'New User?' section contains a dark blue 'Register Now' button. At the bottom of the form is a green 'Guest Pay' button. The footer of the page includes the copyright notice '© CityInsight, LLC 2018' and links for 'Help' and 'Privacy'.

- In 2017 DWSD launched a new web portal and partnered with DivDat to give our customers a common payment experience between the Kiosk and the Web.
- Added City of Detroit as an additional kiosk tenant on DWSD's agreement, reducing the monthly management fee by 25%.
- In June of 2018, added an additional \$270,125 to current agreement to cover shortfall due to higher than expected adoption of new payment portal.
  - *DWSD is adding an additional 2,000 to 4,000 customers monthly to the new payment portal.*

# DivDat and the Rest of it.

- DWSD is currently using a complex set of technology and services to support Customer Service Payments
  - *Web Connect (old web - shut down in April)*
  - *Inovah (cashiering and lockbox)*
  - *Invoice Cloud (legacy bill presentment and payment)*
  - *Customer Payment Portal (new web)*
  - *Selectron IVR (pay by phone)*
  - *Utilitec (bill presentment and mailing)*
  - *DivDat (payment processor)*
- All of this is expensive, redundant and complex



# DivDat and A Better Technology Mix

- DWSD is proposing to consolidate the core payment technology to:
  - *Customer Payment Portal*
  - *Selectron IVR*
  - *Utilitec (bill presentment and mailing)*
  - *DivDat*
    - ✓ 40+ Kiosk sites for water bill payments
    - ✓ Point of Sale
      - *Replacing Inovah*
    - ✓ Payment processing (Point of Sale, IVR, Web and Kiosks)
      - *Replacing Invoice Cloud*
    - ✓ Lockbox reconciliation
      - *Replacing Inovah*
    - ✓ Alexa payment integration



# DivDat Business Case

- Revises the Initial Term to run to September 30, 2021 vs. November 17, 2019
- Adds payment integration for Amazon Alexa (as in "Alexa, pay my Detroit Water bill.")
- Adds IVR and Web payments, including scheduling AutoPay services via the web.
- Adds Lockbox Reconciliation Services, where DWSD payments made through its Lockbox are reconciled into enQuesta, replacing Inovah's Lockbox processing.
- Adds a PCI-DSS compliant Counter Payment solution, replacing Inovah's Point of Sale system, which is not PCI-DSS compliant.

# DivDat Financial Case – Business as Usual Before Kiosks

## Business As Usual (1 year ago)

Channel	Number	Cost	Extended cost
Web	50,000	\$ 0.40	\$ 20,000.00
ivr	16,000	\$ 0.40	\$ 6,400.00
POS	15,000		\$ -
Kiosk (1)	300	\$ 0.40	\$ 120.00
LockBox			\$ -
		Monthly	\$ 26,520.00
		Annual	\$ 318,240.00

Annual Kiosk Fee (1)	\$	36,000.00
Annual Transaction Fees	\$	318,240.00
Annual Inovah Support Cost	\$	70,000.00
Annual Invoice Cloud Support Cost	\$	25,000.00
<b>Total Cost of Payment Channels</b>	<b>\$</b>	<b>449,240.00</b>

# DivDat Financial Case – Current Technology Mix

## New Plan with Current Technology (DivDat, Invoice Cloud & Inovah)

Channel	Number	Cost	Extended cost
Web	50,000	\$ 0.40	\$ 20,000.00
ivr	16,000	\$ 0.40	\$ 6,400.00
POS	15,000	\$ -	\$ -
Kiosk (40+)	20,000	\$ 1.80	\$ 36,000.00
LockBox			\$ -
		Monthly	\$ 62,400.00
		Annual	\$ 748,800.00

Annual Kiosk fee (40+) @ 19,000/mo	\$	228,000.00
Annual Transaction Fees	\$	748,800.00
Annual Inovah Support Cost	\$	70,000.00
Annual Invoice Cloud Support Cost	\$	25,000.00
<b>Total Cost of Payment Channels</b>	<b>\$</b>	<b>1,071,800.00</b>

# DivDat Financial Case – Consolidated Technology Mix (DivDat)

## New Plan with Consolidated Technology (DivDat)

Channel	Number	Cost	Extended cost
web	50,000	\$ 0.25	\$ 12,500.00
ivr	16,000	\$ 0.25	\$ 4,000.00
POS	15,000	\$ 0.25	\$ 3,750.00
Kiosk (40+)	20,000	\$ 1.80	\$ 36,000.00
LockBox Monthly Cost		\$ 2,000.00	\$ 2,000.00
	Monthly	\$	58,250.00
	Annual	\$	699,000.00

Annual Kiosk fee (40+) @ 12,000/mo	\$	144,000.00
Annual Transaction Fees	\$	699,000.00
Annual Inovah Reduction	\$	(70,000.00)
Annual Invoice Cloud Reduction	\$	(25,000.00)
Total Cost of Payment Channels	\$	748,000.00

Annual Operating Reduction \$ (323,800.00)  
 Percent Savings 30%

# DivDat Financial Case – Concessions & Benefits

- Reduced the monthly management fee from \$14,500 per month to \$12,000 per month (18%)
- Eliminated reoccurring email and SMS (texting) fees (\$2,000)
- Standardized kiosk transactions at \$1.80/transaction regardless of volume.
- Negotiated a 20% monthly reduction from current pricing
- No price increases in the term or during the renewal periods
- Reduces DWSD's transaction costs from 40 cents per transaction to 25 cents per transaction (37%)
- Removes \$95,000 in reoccurring support costs from the Information Technology Budget

# Questions?

