



BOARD OF DIRECTORS
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GENERAL MANAGER
 Alan E. Clanin

To: Board of Directors
 From: Jeanene Weiss
 Date: June 21, 2019
 Subject: OpenEdge Payment Systems

The District has increasingly been asked by customers to accept credit and debit cards at the counter, by telephone and online. Customers also want the ability to make payments online through our website. Today most utilities accept credit and debit cards as a form of payment.

The District does offer payments in the form of bank drafts directly from a checking account for recurring automatic payments. We require the customer to sign the "Payment Plan and Authorization" form prior to authorizing the payment. The customer also provides a voided check for the checking account from which funds are to be deducted.

We have researched several third-party vendors offering merchant services for the acceptance of bank drafts (E-checks), credit and debit card payments. Some offer free set-up and training but convenience fees vary by vendor. Some of the vendors we have looked at are listed below.

	<u>Credit Card Machine</u>	<u>Plan Type</u>	<u>Quote for 450 transactions per month, \$72 each</u>
OpenEdge	Free	3% + \$1.25 Tyler fee or Interchange Pricing Model	If fee absorbed by District (\$0.75 Utility Pricing and ETS pricing of .40% + \$0.15+avg monthly fees): \$1.24 each + Tyler Fee
ETS	\$649	3% + \$1.25 Tyler fee or Interchange Pricing Model	If fee absorbed by District (\$0.75 Utility Pricing per transaction and ETS pricing of .20% + \$0.10+avg monthly fees): \$1.04 each + Tyler Fee
California Bank & Trust	No quote, Avg is \$600+	Interchange Pricing Model: \$0.17 per transaction based on 450 per month	\$2.50 + Tyler Fee \$1.25

In addition to the different plan types, we can offer customers a flat convenience fee, however any difference would be billed to the District. Any E-checks processed online or over the phone would not be subject to merchant service fees, but would still incur a \$1.25 fee from OpenEdge and an additional \$1.25 from Tyler. There is also a \$15.00 Monthly Minimum Fee and a \$10.00 Account on File Fee for an ACH Account from OpenEdge that would be billed to the District.

Benefits:

- Meet customer need for an alternative payment method with affordable pricing.
- Automatically updates customer account when used online.
- No upfront costs.
- No ongoing/maintenance costs.
- Real time reporting/payment notification.
- Added security – the customer credit card and bank information is stored by the third party vendor.
- Better use of staff resources.
- Limited staff training required.

Financial Impact:

- \$0 for the Merchant Account at proposed 3% Plan.
- Maximum \$25.00 per month for the ACH (E-Check) Account.

Recommendation: Enter into an Agreement with OpenEdge Payment Processing for the acceptance of credit and debit card payments using the 3% Effective Rate Plan and E-Check payments.

RESOLUTION NO. 456

**RESOLUTION OF THE BOARD OF DIRECTORS
OF CRESTLINE VILLAGE WATER DISTRICT
ENTERING INTO A MERCHANT AGREEMENT WITH
OPENEDGE PAYMENT SYSTEMS**

WHEREAS, the Crestline Village Water District has determined that the current economic situation warrants diversification of payment methods; and

WHEREAS, Crestline Village Water District wishes to enter into an agreement with OpenEdge Payment Systems to provide financial services to the District:

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Crestline Village Water District does hereby authorize the General Manager to enter into contract with OpenEdge Payment Systems

BE IT FURTHER RESOLVED that the Secretary of the Board of Directors shall transmit certified copies of this resolution to OpenEdge Payment Systems.

Dated: June 25, 2019

President, Crestline Village Water District

ATTEST:

Secretary, Crestline Village Water District