



BOARD OF DIRECTORS
Connie S. Bracher
Darel V. Davis
Steven C. Farrell
Robert Kinzel
Kenneth L. Stone

GENERAL MANAGER
Alan E. Clanin

To: Board of Directors
From: Alan E. Clanin
Date: March 13, 2019

Subject: Agreement with Union Bank

The District has increasingly been asked by customers to accept credit and debit cards at the counter, by telephone and on-line. Customers also want the ability to make payments on-line through our web site. Today most companies accept credit and debit cards as a form of payment.

The District does offer payments in the form of drafts directly from a checking account for both recurring automatic payments and for one-time telephone 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. With the integration of the new Tyler Technology Financial and Utility Billing Software, the District will no longer be able to print checks in-house for the automatic payments or offer telephone payment processing. The District will offer automatic payments through an Automatic Clearing House (ACH) system. Customers that are currently on the telephone payment system will have the option to sign up for the ACH payment method. Due to the unanticipated cost of ACH payments, the District will encourage customers to sign up for paperless email billing, enabling the District to save on postage which should offset most of the expense.

We have investigated several third-party vendors offering merchant services for the acceptance of drafts, credit card and debit card payments, although, the District will not be able to incorporate credit or debit card payments until after the new software is fully online. All ACH fees vary significantly by vendor. Some of the vendors we have looked at are:

UNION BANK	\$0.16 per transaction + \$30.00 Per Month
CALIFORNIA BANK & TRUST	\$0.23 per transaction
XPRESS BILL PAY	\$0.49 per transaction

Providing our community with a reliable water system that delivers high quality water for its health and safety needs.

Recommendation: Open an account and enter into an Agreement with Union Bank for the processing of draft payments.

Benefits:

- Meet customer need for an alternative payment method with affordable pricing.
- Provide Environmentally Friendly Paperless Email billing.
- Potential savings on postage.
- Better use of staff resources.

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P.O. BOX 3347 • 777 COTTONWOOD DRIVE, CRESTLINE, CA 92325-3347 • TELEPHONE (909) 338-1727 • FAX (909) 338-4080

RESOLUTION NO. 450

**RESOLUTION OF THE BOARD OF
DIRECTORS OF CRESTLINE
VILLAGE WATER DISTRICT
ENTERING INTO A MERCHANT
AGREEMENT WITH UNION BANK**

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 Union Bank 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 Union Bank

BE IT FURTHER RESOLVED that the Secretary of the Board of Directors shall transmit certified copies of this resolution to Union Bank.

Dated: March 19, 2019

President, Crestline Village Water District

ATTEST:

Secretary, Crestline Village Water District