



**City Council Work Session**  
**Tuesday, January 8, 2019**  
**City Hall Council Chambers**  
**5249 South 400 East, Washington Terrace City**  
**801-393-8681**  
[www.washingtonterracecity.com](http://www.washingtonterracecity.com)

1. **ROLL CALL**            5:00 P.M.
2. **PLEDGE OF ALLEGIANCE**
3. **WELCOME**
4. **WORK SESSION**

**TOPICS TO INCLUDE, BUT ARE NOT LIMITED TO:**

**4.1 VISA COMPLIANCE RULES**

A presentation and discussion on Visa compliance rules that apply to credit card payments processed by the City, including convenience fees the City charges for electronic payments.

**4.2 ONLINE PAYMENT PROVIDER**

A presentation from a prospective online payment provider, Xpress Bill Pay, and a discussion to use them as the City's preferred provider.

**4.3 UTILITY BILL LAYOUT- UPDATED**

A presentation to highlight the changes and benefits coming to the utility bill layout.

**4.4 WELCOME PACKET/BROCHURE- UPDATED**

A presentation to highlight the enhancements to the City's welcome packet/brochure.

**BREAK**                                    **6:15 - 6:30 P.M.**

6. **PRESENTATION: OPEN MEETINGS ACT AND NON-DISCRIMINATION TRAINING**  
Training to be provided by the City Attorney. Members of the Planning Commission will also attend.
7. **ADJOURN WORK SESSION**

For more information on these agenda items, please visit our website at [www.washingtonterracecity.com](http://www.washingtonterracecity.com)

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In compliance with the Americans with Disabilities Act, persons who have need of special accommodation should contact the City Recorder at 801-395-8283.

CERTIFICATE OF POSTING

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted in three public places within the City of Washington Terrace City limits and sent to the *Standard Examiner* at least 24 hours prior to the meeting. Amy Rodriguez, City Recorder.

## City Council Staff Report

**Author:** Gina Kochendorfer, City Treasurer

**Subject:** Visa Compliance Action

**Date:** January 8, 2019

**Type of Item:** Work Session – Presentation and Direction



**Summary Recommendations:** Staff would like to present on a Visa compliance rule that applies to credit card payments processed by the City, including convenience fee requirements.

**Description:** According to the Visa Core Rules and Visa Product and Service Rules:

- the City is not allowed to charge a convenience fee in a Card-Present environment (if the person is at the City office with their card in hand);
- the City is not allowed to charge a convenience fee on a recurring or an installment transaction (our auto-pay recurring payments set up online);
- Visa's general non-compliance assessment schedule includes a warning letter with a specific date for correction and USD \$1,000 fine for the first violation of rule and increases from there. (See Exhibit A)

**Topic:** As described above, discussion and recommendations need to be made regarding compliance action such as:

- not charging any **convenience fees** at all on **utility payments**;
- charging a **service fee** or percentage on all "other" payments made to the City and no fees at all on utility credit card payments.

**Background:** This was brought to our attention as we were reviewing companies to possibly switch our online payment system for utility bills from Intellipay.

- Xpressbillpay is a company we have been researching and they brought to our attention the Visa "Convenience Fee" rules. (See Exhibit B)
- I am also attaching some pages from the Visa Core Rules regarding "Service Fees" which are allowed to be charged for government goods or services, excluding utilities. (See Exhibit C)
- At my Treasurer's conference I also learned that if you accept Visa payments for anything, it must be accepted in all channels where payments are accepted. For instance, a City should not be denying the use of a credit card for building permits if they accept Visa for business licenses, Court, etc. (See Exhibit D)

### **Additional Background on Visa Fees Charged to the City:**

- During the research, we found that because we choose to charge convenience fees (allowed for card-absent and non-recurring utility payments...we are not in compliance charging card-present and autopay customers currently which Visa is not aware of) we are charged at a higher “**Government**” rate which means the City is charged a Rate **plus** an Interchange Per Item rate on each transaction by Visa.
- If the City chose not to charge a convenience fee at all on any type of utility payment, we would qualify for state contract “**Utility**” rate which is substantially lower.
- As you can see, there would be a huge difference in the TOTAL FEES charged to the City by the credit card companies for our current payments of \$1,063.65 (current) versus \$625.24. (See Exhibit E)
- However, not all of these credit card payments in May 2018 were utility payments – 529 of the 694 were. The utility payments were **231 taken by staff at the counter or over the phone**; and **298 paid online through Intellipay** (either recurring or one-time transactions). The remaining credit card payments were Court and others such as building permits, business license, etc. which “Service Fees” are allowed.
- Attached you will find some research on what surrounding cities charge for items. (See Exhibit F)
- My personal recommendation is no fee at all on EVERY utility payment and a flat 2% “Service Fee” on all “other” payments which should cover the credit card costs of those “other” payments.

### **Department Review:** City Manager, Finance Director, City Treasurer

- Approve the Request:** Council may approve corrective action under Scenario #3 (preferred). Council may approve corrective action under Scenario #2.
- Deny the Request:** Council may continue with Scenario #1; however, the City is in not in compliance with Visa Core Rules and risk being fined and/or losing the privilege to accept Visa as a form of payment.
- Table the item:** Council may table the item until a future meeting and or work session.

**EXHIBITS A-F**



# Visa Core Rules and Visa Product and Service Rules



13 October 2018

**Table 1-11: General Schedule of Non-Compliance Assessments**

Violation	Non-Compliance Assessment
First violation of rule	Warning letter with specific date for correction and USD 1,000 (in the Europe Region, USD 500)
Second violation of same rule in a 12-month period after Notification of first violation	USD 5,000
Third violation of same rule in a 12-month period after Notification of first violation	USD 10,000
Fourth violation of same rule in a 12-month period after Notification of first violation	USD 25,000
5 or more violations of same rule in a 12-month period after Notification of first violation	Visa discretion
If the 12-month period is not violation-free and the non-compliance assessments total USD 25,000 or more	Additional non-compliance assessment equal to all non-compliance assessments levied during that 12-month period

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### 1.12.2.3 Determination of Violation of the Visa Rules

Determination of a violation of the Visa Charter Documents or Visa Rules may be made based on either:

- The response from a Member to a Notification of investigation and other available information. Visa will determine whether a violation of the Visa Charter Documents or Visa Rules has occurred.
- The Member's failure to respond to a Notification of investigation and to provide all information requested

ID# 0001052

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### 1.12.2.4 Notification of Determination of Violation

Visa will notify a Member if it determines that a violation of the Visa Charter Documents or Visa Rules has occurred, or if it determines that a violation is continuing to occur, and will specify a date by which the Member must correct the violation. The Notification will advise the Member of all of the following:

**EXHIBIT B**

**Visa Product and Service Rules**

5 Acceptance

**Visa Core Rules and Visa Product and Service Rules**

**Table 5-6: Surcharge Disclosure – US Region and US Territories (continued)**

<b>Transaction Type</b>	<b>Point-of-Entry</b>	<b>Point-of-Transaction</b>
Transaction	references credit card brands accepted, in a minimum 8-point Arial font, but in any case no smaller or less prominent than surrounding text	Arial font, but in any case no smaller or less prominent than surrounding text
Telephone order Transaction	The first page of the catalog that references credit card brands accepted, in a minimum 8-point Arial font, but in any case no smaller or less prominent than surrounding text	Verbal notice from the telephone order clerk, including US Credit Card Surcharge amount
Unattended Cardholder-Activated Terminal	Main entrance(s) of the Merchant Outlet (if applicable) (for example: gas [petrol] station store) in a minimum 32-point Arial font, but in any case no smaller or less prominent than surrounding text	On the Unattended Cardholder-Activated Terminal or virtual disclosure on the payment terminal screen, in a minimum 16-point Arial font, but in any case no smaller or less prominent than surrounding text

ID# 0027545

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**5.6.2 Convenience Fees – Allowances, Requirements, Restrictions, Amounts, and Disclosures**

**5.6.2.1 Convenience Fees – AP, CEMEA, and US Regions**

In the AP Region, CEMEA Region (Russia), US Region: A Merchant that charges a Convenience Fee must ensure that the fee is assessed as follows:

**Table 5-7: Convenience Fee Requirements**

<b>Convenience Fee Requirement</b>	<b>AP Region</b>	<b>CEMEA Region (Russia)</b>	<b>US Region</b>
Charged for a bona fide convenience in the form of an alternative payment channel outside the Merchant's customary payment channels and not charged solely for the acceptance of a Card	X	X	X

## Visa Product and Service Rules

### 5 Acceptance

#### Visa Core Rules and Visa Product and Service Rules

**Table 5-7: Convenience Fee Requirements (continued)**

Convenience Fee Requirement	AP Region	CEMEA Region (Russia)	US Region
Added only to a Transaction completed in a Card-Absent Environment	X		X
Not charged if the Merchant operates exclusively in a Card-Absent Environment	X		X
Added only to a domestic Unattended Transaction, excluding Transactions at Automated Fuel Dispensers, Telephone Service Transactions, or ATM Cash Disbursements		X	
Charged only by the Merchant that provides goods or services to the Cardholder	X		X
Applicable to all forms of payment accepted in the payment channel	X	X	X
Disclosed clearly to the Cardholder: <ul style="list-style-type: none"> <li>• As a charge for the alternative payment channel convenience</li> <li>• Before the completion of the Transaction. The Cardholder must be given the opportunity to cancel.</li> </ul>	X	X	X
A flat or fixed amount, regardless of the value of the payment due In the AP Region: An ad valorem amount is allowed as required by applicable laws or regulations. In the CEMEA Region (Russia): The amount must not exceed: <ul style="list-style-type: none"> <li>• RUB 35 for Transactions processed with MCC 4814</li> <li>• RUB 60 for Transactions processed with MCC 4900</li> <li>• RUB 48 for all other Transactions</li> </ul>	X	X	X
Included as part of the total amount of the Transaction and not collected separately	X	X	X
Not charged in addition to a surcharge	X	N/A <sup>1</sup>	X
Not charged on a Recurring Transaction or an Installment Transaction	X	X	X
<sup>1</sup> Surcharging is not allowed.			

## EXHIBIT C

### Visa Product and Service Rules

#### 5 Acceptance

#### Visa Core Rules and Visa Product and Service Rules

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#### 5.6.2.2 Acceptance Device Disclosure Requirements for Convenience Fees – CEMEA Region (Russia)

In the CEMEA Region (Russia): If a Merchant or third party charges a Convenience Fee, the Acceptance Device must do all of the following:

- Inform the Cardholder that a Convenience Fee will be charged for the alternative payment channel convenience, in addition to other Issuer charges. The disclosure must both:
  - Be as high a contrast or resolution as any other graphics on the Acceptance Device
  - Contain the notice:  
Fee Notice: "(Name) will assess a fee to cardholders for transactions at this terminal. This fee is added to the amount of your transaction and is in addition to any fees that may be charged by your financial institution."
- Disclose to the Cardholder the amount of the Convenience Fee
- Identify the recipient of the Convenience Fee
- Request Cardholder approval of the Convenience Fee
- Provide the ability for the Cardholder to cancel the Transaction without incurring a fee or penalty

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#### 5.6.3 Service Fees – Allowances, Requirements, Restrictions, Amounts, and Disclosures

#### 5.6.3.1 Service Fee Assessment Requirements – Canada, CEMEA (Egypt, Russia), and US Regions

A Service Fee may only be charged by a Merchant, Acquirer, or third party in countries specified in *Table 5-8, Service Fee Assessment Permitted MCCs*.

Table 5-8: Service Fee Assessment Permitted MCCs

Allowed MCCs are:	Canada Region	CEMEA Region (Egypt)	CEMEA Region (Russia)	US Region
4900 (Utilities – Electric, Gas, Water, Sanitary)	X	X		

## Visa Product and Service Rules

### 5 Acceptance

#### Visa Core Rules and Visa Product and Service Rules

**Table 5-8: Service Fee Assessment Permitted MCCs (continued)**

Allowed MCCs are:	Canada Region	CEMEA Region (Egypt)	CEMEA Region (Russia)	US Region
6513 (Real Estate Agents and Managers – Rentals)	X			
9311 (Tax Payments)	X	X	X	X
9399 (Government Services [Not Elsewhere Classified])		X	X	X
9222 (Fines)	X	X	X	X
9211 (Court Costs, Including Alimony and Child Support)		X	X	X
8220 (Colleges, Universities, Professional Schools, and Junior Colleges)	X	X		X
8299 (Schools and Educational Services [Not Elsewhere Classified])		X		
8211 (Elementary and Secondary Schools)	X	X		X
8244 (Business and Secretarial Schools)		X		X
8249 (Vocational and Trade Schools)		X		X
8241 (Correspondence Schools)		X		
8351 (Child Care Services)	X			
5541 (Service Stations)		X		
5542 (Automated Fuel Dispensers)		X		
9223 (Bail and Bond Payments)		X	X	
9402 (Postal Services – Government Only)		X		

A Merchant, third party, or Acquirer that charges a Service Fee must comply with the following requirements, unless otherwise specified in *Table 5-9, Service Fee Assessment Exceptions*.

## EXHIBIT D

### Visa Product and Service Rules

#### 5 Acceptance

#### Visa Core Rules and Visa Product and Service Rules

- Accept Visa as a means of payment in all channels where payments are accepted (for example, in a Face-to-Face Environment and a Card-Absent Environment, as applicable)
- Be authorized to process tax payment Transactions if the Service Fee is charged by a government taxing authority or its third party
- Disclose the fee clearly to the Cardholder as a Service Fee, or local language equivalent, before the Transaction is completed and provide the ability for the Cardholder to cancel the Transaction without incurring a fee or penalty
- Not represent the Service Fee as a fee charged by Visa
- Ensure that the Service Fee amount is:
  - A reasonable reflection of the costs associated with completing the Transaction (such as the Merchant Discount Rate, Merchant service fee, or any other costs paid to third parties for services directly related to accepting a Card) and, where possible, capped
  - A flat, fixed, banded, or ad valorem amount, regardless of the value of the payment due, as required by applicable laws or regulations
  - Assessed only on the final Transaction amount, after all discounts and rebates have been applied during the Transaction
  - Not charged in addition to a surcharge or Convenience Fee

**Table 5-9: Service Fee Assessment Exceptions**

	Canada Region	CEMEA Region (Egypt and Russia only)	US Region
These entities may assess Service Fees:	A Merchant in a permitted category, or its third party, that accepts Visa in all Card-Absent Environments where payments are accepted	A government Merchant, and, in Egypt, a fuel Merchant, its Acquirer, or its third party, that complies with the following, as applicable: <ul style="list-style-type: none"> <li>• Is registered with Visa</li> <li>• In Russia, also includes its assigned Merchant Verification Value in the Authorization Request and Clearing Record</li> </ul>	A government agency or education Merchant, or its third party, that complies with all of the following: <ul style="list-style-type: none"> <li>• Is registered with Visa</li> <li>• Is assigned a unique Merchant Verification Value</li> </ul>
The Service Fee amount:	<ul style="list-style-type: none"> <li>• Must be limited to 1.5% of the final Transaction amount for debit and</li> </ul>	<ul style="list-style-type: none"> <li>• Must be flat or variable</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Effective through 20 July 2018</b> Must be processed as a separate Transaction</li> </ul>

Table 5-9: Service Fee Assessment Exceptions (continued)

	Canada Region	CEMEA Region (Egypt and Russia only)	US Region
	<p>2.5% of the final Transaction amount for credit and prepaid</p> <ul style="list-style-type: none"> <li>• If assessed by a third party, may be processed as a separate Transaction</li> <li>• Must not be greater than the Service Fee charged on a similar Transaction completed with a similar form of payment</li> <li>• Must be the same as any Service Fee charged to any other Issuer's similar card products</li> </ul>		<ul style="list-style-type: none"> <li>• <b>Effective 21 July 2018</b> If assessed by a Merchant, may be processed as a separate Transaction</li> <li>• <b>Effective 21 July 2018</b> If assessed by a third party in a Card-Absent Environment, must be processed as a separate Transaction</li> </ul>

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## 5.7 Acceptance Devices

### 5.7.1 Acceptance Device Requirements – All Devices

#### 5.7.1.1 Acceptance Device Requirements

An Acceptance Device must comply with the *Transaction Acceptance Device Requirements* and all of the following requirements applicable to the device:

Table 5-10: Acceptance Device Requirements

Acceptance Device Type	Requirements
All	<ul style="list-style-type: none"> <li>• Act upon Service Codes or request Online Authorization</li> </ul>

EXHIBIT E

SCENARIOS FOR LEAVING FEES "AS IS", CHARGING NONE AT ALL AND CHARGING ONLY 2% ON "OTHER"

<b>NO CHANGE - KEEP \$1.90 &amp; 3% OVER \$300</b>			
<b>SCENARIO #1</b>	TOTAL	UTILITY	OTHER
	694	529	165
MERCHANT FEES	\$1,063.65		
NO FEES CHARGED AT ALL ON ANYTHING	\$0.00		
<b>CITY COSTS</b>	\$1,063.65		
<b>APPROXIMATE YEARLY NET CITY COSTS</b>	<b>\$0.00</b>		

<b>ESTIMATED RATES WITH NO FEES CHARGED</b>			
<b>SCENARIO #2</b>	TOTAL	UTILITY	OTHER
	694	529	165
MERCHANT FEES	\$625.64		
NO FEES CHARGED AT ALL ON ANYTHING	\$0.00		
<b>CITY COSTS</b>	\$625.64		
<b>APPROXIMATE YEARLY NET CITY COSTS</b>	<b>\$7,507.68</b>		

(PREFERRED)

<b>NO FEE ON UTILITIES &amp; 2% FLAT ON OTHER</b>			
<b>SCENARIO #3</b>	TOTAL	UTILITY	OTHER
	694	529	165*
MERCHANT FEES	\$625.64		
2% FLAT ON ALL "OTHER" PAYMENTS - NO MIN.	\$0.00		\$165.00
<b>CITY COSTS</b>	\$460.64		
<b>APPROXIMATE YEARLY NET CITY COSTS</b>	<b>\$5,527.68</b>		

\* AVERAGE \$50.00 FOR "OTHER" ITEMS

## EXHIBIT F

<b>CITY CREDIT CARD FEES CHARGED BY THE CITY</b>			
8/10/2018	<i>Utilities</i>	<i>Business License</i>	<i>Building Permit</i>
<b>Centerville</b>	None	None	None
<b>Clearfield</b>	None	None	Ck or Cash Only
<b>Clinton</b>	None	None	None
<b>Farmington</b>	None	None	Ck or Cash Only
<b>Fruit Heights</b>	None	None	Ck or Cash Only
<b>Harrisville</b>	None	Min. \$2.50 or 2.5%	Min. \$2.50 or 2.5%
<b>Kaysville</b>	None	None	None
<b>Layton</b>	None	2% on CC but none on Debit	2% on CC but none on Debit
<b>North Ogden</b>	None	None	None
<b>Ogden</b>	None	None	None
<b>Pleasant View</b>	2% over \$1,000	2% over \$1,000	2% over \$1,000
<b>Riverdale</b>	>\$1,500 Requires Check	>\$1,500 Requires Check	>\$1,500 Requires Check
<b>Roy</b>	None	None	None
<b>South Ogden</b>	None	None	None
<b>South Weber</b>	None	Ck or Cash Only	Ck or Cash Only
<b>Sunset</b>	\$1.95	2.45%	2.45%
<b>Syracuse</b>	1%	1%	1%
<b>Uintah</b>	Use Pay Pal 4% On All	Use Pay Pal 4% On All	Use Pay Pal 4% On All
<b>Washington Terrace</b>	\$1.90 or 3% > \$300	\$1.90 or 3% > \$300	\$1.90 or 3% > \$300
<b>West Point</b>	None	>\$1,000 is 3%	>\$1,000 is 3%
<b>Woods Cross</b>	None	<\$1,000 No Fee but > \$1,000 Ck or Cash Only	<\$1,000 No Fee but > \$1,000 Ck or Cash Only

## City Council Staff Report

**Author:** Gina Kochendorfer, City Treasurer

**Subject:** Change Proposal from Intellipay to Xpressbillpay

**Date:** January 8, 2019

**Type of Item:** Work Session – Presentation and Direction



**Summary Recommendations:** Staff would like to present from a prospective online payment provider, Xpressbillpay, and discuss the implementation of this new system. During research of similar systems that are compatible with Caselle such as Billflash and InstantPayments, Xpressbillpay was the only one that meets the needs and customer service level as the City's preferred provider. It is worth mentioning that they are also Caselle's (our billing system) and Freedom Mailing's (our third party vendor who prints and mails our utility bills) preferred provider.

Other cities references seemed to be highly satisfied with Xpresbillpay's customer service program, reports that tie in with the Caselle general ledger and the fact that they keep current updates on their system.

**Description:** Attached you will find Exhibit A which shows the pros and cons of both online payment systems. Below I have listed critical improvements versus critical impediments between the 2 systems as it pertains to our residents:

Critical items that will **improve** residents' experiences with online bill payments are:

- Xpressbillpay notifies residents by email "**before**" their card expires that is on file, then they send a 2<sup>nd</sup> notice email and then another one after it has expired;
- residents can choose to go to a paperless billing and newsletter which would save costs to the City of mailing the paper bill and newsletter;
- if a resident has more than one utility account such as a business and a home or multiple homes in the City, they have **one login** and check mark which of their multiple accounts they want to pay and then **make one payment**;
- Xpressbillpay can pull in and post approximately 700 payments to utility accounts that staff currently manually enter throughout the month; we manually pull in Ipay payments (online payments made through a website not related to the City) and Checkfree payments (payments set up at a resident's own bank or credit union who sends their payment electronically to the City instead of a check).

Critical items that have **impeded** residents' online payments with Intellipay for several years:

- no updates are sent to us from Intellipay to update or better their system;
- residents who sign up for auto pay currently receive an email bill which is horrendous (see Exhibit B pages) and we have spoken with them on several occasions with no luck on the programmers correcting the alignment errors;

- residents do not have the option to go paperless with Intellipay – the only option is to receive the email bill, but they also get a paper bill and statement when they don't want one;
- Intellipay only sends an email to a resident “after” their payment has been declined or not been able to be processed which means their utility bill does not get paid for that month;
- Intellipay online payments are only set up for “ONE” utility account at a time. For instance, someone with 2 or more houses or property utility accounts has to set up a user sign-in and password for each account in order to go online and pay them individually;
- Intellipay works off a 32-bit system so every time Caselle performs an update we have to manually do a “fix-it” on all five cash receipting computers to force Intellipay to “work” with Caselle.

**Topic:** If a change of the online payment system were approved, the following would occur:

- the City would complete a questionnaire for Xpressbillpay for statistical purposes, bank information, etc. and an Agreement would be sent back to the City for signatures with the standard timeline 4-6 weeks for an Xpressbillpay ‘Live’ date once all paperwork is completed;
- approximately 300 residents would need to be contacted through email, phone, letter, etc. to authorize and change over their automatic payment information into the new system;
- a letter introducing Xpressbillpay and an authorization agreement form for online payments would be mailed to all residents/commercial businesses with their monthly bill a month prior to the program implementation to offer the new service – this would include a City one-time approximate cost of \$400.00 for the 2 page insert with the billing;
- staff would be more comfortable with suggesting that residents sign up for online payments and go paperless because it would be an easier system to access and use and they would receive their billing and the newsletter through their email accounts;
- each staff member would have a “log in” to be able to take a credit card payment over the phone and if that resident had paid before over the phone, the new system would store the card information so staff would not spend 3-5 minutes per phone call gathering the card information, expiration date and ccv codes per payment over the phone every time;
- an increase of operating costs would occur since Xpressbillpay fees are larger than Intellipay fees (see Exhibit C);
- there would be a one-time setup fee of \$1,500 + mileage to install and implement Xpressbillpay;
- Xpressbillpay would walk all of us through the whole changeover process and they contact our merchant service provider (Chase) who processes our Visa and Mastercard payments to get the City on the State contract pricing.

**Background:** As listed above in the Description area, there have been some of the frustrations have been with the Intellipay online payment system between both residents and staff. I feel confident that residents and staff would see immediate improvement and efficiencies with the change to Xpressbillpay.

**Department Review:** City Manager, Finance Director, City Treasurer

- Approve the Request:** Council may approve the request to move forward on changing online payment providers from Intellipay to Xpressbillpay.
- Deny the Request:** Council may keep Intellipay as the City’s online provider with no changes.
- Table the item:** Council may table the item until a future meeting and or work session.

**EXHIBITS A-C**

**EXHIBIT A**

**PROS VS. CONS**

**INTELLIPAY**

**PROS**

**CONS**

300 residents are already set up on Intellipay's system, whether they go in and make one-time payments each month or recurring payments.	Utility bill format and data is jumbled in email bills and still not lined up correctly when printed out.
Intellipay's per item, gateway and returned item fees are lower.	Resident can only sign in to one account at a time to make one single payment at time.
Some residents may not like "change" and it may be hard for them to adjust to a new system, look of the email and bill, etc.	No way to tie in payments with Caselle's general ledger except utility payments.
	They cannot take over our approximately 704 hand-entered lpay and Checkfree electronic payments that are processed by City staff each month.
	In Intellipay, since it is a difficult to sign into someone's account when they call into the office to make a payment (we would have to set up a username and password for them which would take about 5-10 minutes), staff already has to spend 3-5 minutes looking up their account in Caselle and taking the credit card information every time they call because we do not have encrypted ways to "save" their credit card information in our system.
	Eighteen other Utah cities have made the switch from Intellipay to Xpressbillpay.
	Intellipay only sends an email once a resident's payment does not go through - for instance, when their card expires. They do not send notice beforehand which would be better customer service.
	Residents do not have the option to go paperless billing/newsletter.

**XPRESSBILLPAY**

**PROS**

**CONS**

Xpressbillpay would be more user friendly. They can check boxes and pay more than one utility bill at a time since they are all listed once they login, which means only one "interchange per item" fee to the City on the credit card payment since it would be a single credit card payment for multiple accounts.	300 residents would have to set up their payment information on the new system.
Office staff will have individual City logins to be able to go to a utility account and pay with a "saved" credit card with a resident over the phone since their system is encrypted and safe.	Xpressbillpay's per items fees, maintenance fees, monthly service fee and return item fees are higher.
References have reported that the system is kept up-to-date with current needs, better reports available and easier tie in with Caselle's general ledger for better reconciliations.	Staff would have to contact and help the 300 residents get their new information set up on the new system.
Preferred provider by Caselle which is our current utility billing company.	Staff would need to make it a priority goal to introduce and help more residents to try out Xpressbillpay and go paperless so we could save City costs by not mailing out paper bills and newsletters.
Xpressbillpay staff will do the leg-work and contact our merchant provider to get everything set up on the State contract "utility rate" or "government rate", depending on what is decided about convenience and service fees. They would walk us through each step and do some of the steps for us.	
Xpressbillpay sends residents emails a few months before their credit card on file is about to expire. They send a 2nd one before it expires. And sends yet another one after it expires. That would help with people missing payments and getting late fees.	
According to City references, Caselle staff and Xpressbillpay staff, it appears they stay up-to-date with what customers needs. The newest update they are working on will include a water graph on the online bill layout to show the resident a year's worth of their water usage.	
Residents can choose to go with paperless billing and newsletter.	
Xpressbillpay has ways to accept payments for court, business license, building permits, dog license payments, etc. and tie them to the Caselle general ledger if the City decides to go that route in the future.	

Gina Kochendorfer

**From:** City of Washington Terrace <noreply@washingtonterracecity.org>  
**Sent:** Tuesday, August 07, 2018 3:31 AM  
**To:** Utility Billing  
**Subject:** Bill now available



\$ 176.97

Payments made after the 28th are subject to a late fee.

Your autopayment is scheduled for day 1. This may not reflect your current balance. If you have already paid this bill, please disregard this notice.

\$ 176.97

07/02/2018

08/28/2018

08/28/2018

13.0599.1

13.0599.1

4617 S 150 W

WASHINGTON TERRA UT 84405

4617 S 150 W

INGRAHAM, GINA

06/22/2018 07/19/2018 WA 192,279 186,105 6,174  
To

**Service**

From 06/22/2018 To 07/19/2018

**WATER:** \$ 29.79

**SEWER:** \$ 30.24

**GARBAGE/RECYCLE:** \$ 14.75

**STORM WATER:** \$ 8.00

Please note if there is an amount showing Past Due it is due no later than 8/17/2018 in order to avoid disconnection of utility services and additional fees. If there is not an amount showing past due we really appreciate your timely payment.

\$82.78

\$176.97

84.38CR

**Gina Kochendorfer**

**From:** City of Washington Terrace <noreply@washingtonterracecity.org>  
**Sent:** Tuesday, August 07, 2018 3:31 AM  
**To:** Utility Billing  
**Subject:** Bill now available



**City of Washington Terrace**  
 5249 S 400 E • Washington Terrace, UT • 84405  
 Telephone (801) 393-8681 • Fax (801) 393-1921  
 Office Hours 8:00 am - 5:00 pm Weekdays

Service To

Due Date

Account Number

Total Amount Due

Previous Reading	Present Reading	Total Used	Services	Amount
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Payments made after the 25<sup>th</sup> may not be shown. Your past due amount is due immediately and is subject to late fees and services may be discontinued. Thank you for your prompt payment. Sign up for auto pay at [www.wt.gov/office.com](http://www.wt.gov/office.com)

Last Payment Amount		Past Due Amount (this amount is due immediately)	
Last Payment Date		Total Amount Due	

**Message**

Payments received after the due date is subject to a late fee. No further notice will be sent and services may be discontinued. A \$10 fee, \$100 deposit and full payment will be required to reconnect services

---

If you have enrolled in automatic payment always disregard this bill. If you believe your current billing has an error, you have 30 days from the due date to dispute the current charges. The City of Washington Terrace is not liable for any dispute made thereafter. You may contact the Utility Billing Department at 393-8681 ext. 10.

Please submit with payment

**EXHIBIT B – PAGE 2b – IF YOU RIGHTCLICK TO DOWNLOAD PICTURES**

\$ 176.97

Payments made after the 28th are subject to a late fee.

Your autopayment is scheduled for day 1. This may not reflect your current balance. If you have already paid this bill, please disregard this notice.

\$ 176.97

07/02/2018

08/28/2018

08/28/2018

13.0599.1

13.0599.1

4617 S 150 W

WASHINGTON TERRA UT 84405

4617 S 150 W

INGRAHAM, GINA

06/22/2018 To 07/19/2018 WA 192,279 186,105 6,174

**Service**

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\$82.78

\$176.97

84.38CR



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 Telephone (801) 393-8681 • Fax (801) 393-1924  
 Office Hours 8:00 am - 5:00 pm Weekdays

**INGRAHAM, GINA**  
 4617 S 150 W  
 WASHINGTON TERRA UT 84405

Service To **4617 S 150 W**  
 Due Date **08/28/2018**  
 Account Number **13.0599.1**  
**Total Amount Due \$ 176.97**

Previous Reading	Present Reading	Total Used	Services	Amount
	<b>\$82.78</b>		<b>WATER:</b>	<b>\$ 29.79</b>
			<b>SEWER:</b>	<b>\$ 30.24</b>
			<b>GARBAGE/RECYCLE:</b>	<b>\$ 14.75</b>
			<b>STORM WATER:</b>	<b>\$ 0.00</b>

From 06/22/2018 To 07/19/2018

06/22/2018 To 07/19/2018 WA 192,279 186,105 6,174

Payments made after the 25<sup>th</sup> may not be shown. Your past due amount is **\$84.38CR** and is subject to late fees and services may be discontinued. Thank you for your prompt payment. Sign up for auto pay at [www.ut.gov/office.com](http://www.ut.gov/office.com)

Last Payment Amount	<b>84.38CR</b>	Past Due Amount (This amount is due immediately)	<b>\$176.97</b>
Last Payment Date	<b>07/02/2018</b>	Total Amount Due	<b>\$176.97</b>

Please note if there is an amount showing Past Due it is due no later than 8/17/2018 in order to avoid disconnection of utility services and additional fees. If there is not an amount showing past due we really appreciate your timely payment.

**Message**

Payments received after the due date is subject to a late fee. No further notice will be sent and services may be discontinued. A \$39 fee, \$100 deposit and full payment will be required to reconnect services.

**Payments made after the 28th are subject to a late fee. Your autopayment is scheduled for day 1. This may not reflect your current balance. If you have already paid this bill, please disregard this notice.**

If you have trouble with automatic payments, please disregard this bill. If you believe your automatic billing has an error, you have 30 days from the due date to dispute the amount charged. The City of Washington Terrace is not liable for any deposits made thereafter. You may contact the Utility Billing Department at (801) 393-1924 ext. 45.

Please confirm with payment

City of Washington Terrace  
 5249 S 400 E  
 Washington Terrace, UT 84405  
[www.ut.gov/office.com](http://www.ut.gov/office.com)

Account Number **13.0599.1**  
 Due Date **08/28/2018**  
 Total Amount Due **\$ 176.97**  
 Amount Paid

**EXHIBIT C**

	COST PER ECHECK PAYMENT	COST PER CC PAYMENT	COST PER CONSOLIDATION PAYMENT	MONTHLY GATEWAY FEE	MONTHLY SUPPORT, MAINT., HOSTING FEE	MONTHLY SERVICE FEE	PRICE PER EBILL	BATCH SETTLEMENT COST
INTELLIPAY	\$0.25	\$0.15	N/A	\$30.00	N/A	N/A	N/A	N/A
XPRESSBILLPAY	\$0.40	\$0.30	\$0.20	N/A	\$75.00	\$19.00	N/A	N/A

	# OF CC PAYMENTS*	HAND ENTERED**	TOTAL EST. MONTHLY FEES	YEARLY EST.
MAY 2018 EXAMPLE COMPARISON	694	700		
INTELLIPAY FEES (ALL INCLUSIVE)	\$215.83	NOT OFFERED	\$215.83	
XPRESSBILLPAY FEES (ALL INCLUSIVE)	\$574.60	\$140.00	\$714.60	
INCREASE IN MONTHLY FEES			\$498.77	
NET INCREASE IN YEARLY CITY COSTS				\$5,985.24

\*OVER THE PHONE, IN PERSON AND ONLINE

\*\*CONSOLIDATION PAYMENTS (IPAYS AND CHECKFREE PAYMENTS WHICH ARE HAND ENTERED INDIVIDUALLY BY STAFF EVERY DAY)

## City Council Staff Report

**Author:** Gina Kochendorfer, City Treasurer

**Subject:** New Utility Bill Form

**Date:** January 8, 2019

**Type of Item:** Work Session - Presentation



**Summary Recommendations:** Staff would like to present some beneficial changes for residents that are coming to the utility bill format.

**Description:** Our current bill format presents some challenges to some residents so we made the following changes to our bill format:

- added our website where they can go to pay online;
- added our joint email so they can send us questions and concerns;
- re-worded the past due amount wording due to some residents getting confused on the past due amount being due immediately versus the current charges due on the 28<sup>th</sup>;
- there is now a total of the current month's billing cycle charges on the bill;
- removed the CR behind the last payment amount – residents thought they had credits and that they should owe nothing if their bill was the same amount each month;
- the addition of a 13-month graph of water usage history to the bill – additional monthly cost of \$45.00 per month since the usages must be brought in on a second system at Freedom Mailing and purged into the utility bill file.

**Topic:** The hope is to enhance the understanding of the bill format and to add helpful information such as the website, an email contact and the graph with 13 months of past usage history.

My recommendation is to try to keep the bill similar looking such as the same coloring, boxing, etc. instead of extreme changes so that the residents can comfortably see the beneficial changes.

**Background:** As mentioned above, we have had problems with residents understanding some of the wording and/or layout of the bill. Attached you will find Exhibit A which is the old bill format versus Exhibit B which is the new bill format (this is only a test bill ran off by Freedom Mailing so the spacing, alignment and our correct coloring, etc. will be made on the final “new” bill before printing).

**Department Review:** Finance Director, City Manager and City Treasurer have reviewed the new bill format.

**EXHIBITS A-B**



**EXHIBIT A**

**City of Washington Terrace**  
 5249 S 400 E • Washington Terrace, UT • 84405  
 Telephone (801) 393-8681 • Fax (801) 393-1921  
 Office Hours 8:00 am - 5:00 pm Weekdays

BILLING CYCLE FROM  
 11/01/2018 TO 11/30/2018

**Service To** 5440 S 350 E STONEGATE #69

**Due Date** 12/28/2018

**Account Number** 33.0862.3

**Total Amount Due** \$164.74

2412 \*\*\*\*\*SCH 5-DIGIT 84401 T 9  
 SCOTT, MICHAEL  
 5440 S 350 E APT 69  
 WASHINGTON TERRACE UT 84405-6953

Previous Reading	Present Reading	Total Used	Services	Amount
10/19/2018 - 72542	11/20/2018 - 76065	3,523	WATER	18.70
			SEWER	19.30
			STORM WATER	8.00
			LATE FEE	15.00

Payments made after the 28<sup>th</sup> of the previous month may not be shown. Past Due Amount is subject to late fees and is due on date indicated below or services may be disconnected. Thank you for your prompt payment

<b>Last Payment Amount</b>	45.15	<b>Past Due Amount</b> this amount is due by 12/24/18	\$ 103.74
<b>Last Payment Date</b>	10/29/2018	<b>Total Amount Due</b> (CR = Credit)	\$164.74

**Message**

Payments received after the due date is subject to a late fee. No further notice will be sent and services may be discontinued if past due amount is not paid. A \$30 fee, \$100 deposit and full payment will be required to reconnect services if they are disconnected due to non-payment.

IF THE PAST DUE AMOUNT BOX ABOVE has a balance in it, please pay that immediately, IT MUST BE PAID BEFORE 12/24/18 to avoid disconnection of utility services and additional fees this month. Any payments of CURRENT charges made after the 28th are subject to a late fee and shut off.

PLEASE VISIT OUR WEBSITE AT [www.washingtonterracecity.com](http://www.washingtonterracecity.com) FOR UPCOMING EVENTS, THE NEWSLETTER, NEW ORDINANCES, CITY CODE, SPORTS INFORMATION, ALERTS AND MORE.

The easiest way to reach someone in our office with a question is to email one of the three of us in the front office at [utilitybilling@washingtonterracecity.org](mailto:utilitybilling@washingtonterracecity.org). We all see this in-box and answer promptly.

If you believe your current billing has an error, you have 30 days from the due date to dispute the current charges. The City of Washington Terrace is not liable for any dispute made thereafter. You may contact the Utility Billing Department at 393-8681 ext "0".

**City of Washington Terrace**

5249 S 400 E  
 Washington Terrace, UT 84405  
[www.wt.govoffice.com](http://www.wt.govoffice.com)

Please submit with payment



SCOTT, MICHAEL  
 5440 S 350 E APT 69  
 WASHINGTON TERRACE UT 84405

<b>Account Number</b>	33.0862.3
<b>Due Date</b>	12/28/2018
<b>Total Amount Due</b>	\$164.74

**Amount Paid**

SERVICE ADDRESS: 5440 S 350 E STONEGATE #69



**EXHIBIT B**

**City of Washington Terrace**  
 5249 S 400 E • Washington Terrace, UT • 84405  
 Telephone (801) 393-8681 • Fax (801) 393-1921  
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BILLING CYCLE FROM  
 11/01/2018 TO 11/30/2018

You may pay your bill online at: [www.washingtonterracecity.com](http://www.washingtonterracecity.com)  
 Questions? Email us at: [utilitybilling@washingtonterracecity.org](mailto:utilitybilling@washingtonterracecity.org)

**Service To** 5440 S 350 E STONEGATE #69

**Due Date** 12/28/2018

**Account Number** 33.0862.3

**Total Amount Due** **\$164.74**

2 T  
 SCOTT, MICHAEL  
 5440 S 350 E #69  
 WASHINGTON TERRA UT 84405

Previous Reading	Present Reading	Total Used	Services	Amount
10/19/2018 - 72542	11/20/2018 - 76065	3,523	WATER	18.70
			SEWER	19.30
			STORM WATER	8.00
			LATE FEE	15.00

CURRENT MONTH TOTAL 61.00

IF A Past Due Amount IS LISTED IN THIS MIDDLE SECTION, THAT AMOUNT IS DUE ON THE DATE LISTED (NOT THE 28TH) OR SERVICE MAY BE DISCONNECTED DUE TO NON-PAYMENT. A \$30 reconnect fee, \$100 deposit and full payment may be required to restore services. No further notice will be sent.

<b>Last Payment Amount</b>	45.15	<b>Past Due Amount</b> this amount is due by 12/24/18	\$ 103.74
<b>Last Payment Date</b>	12/03/2018	<b>Total Amount Due</b> (CR = Credit)	<b>\$164.74</b>

**Message**

Any payment received after the due date is subject to a late fee. Thank you for your prompt payment.

IF THE PAST DUE AMOUNT BOX ABOVE has a balance in it, please pay that immediately, IT MUST BE PAID BEFORE 12/24/18 to avoid disconnection of utility services and additional fees this month. Any payments of CURRENT charges made after the 28th are subject to a late fee and shut off. ~~we really appreciate your timely payment.~~ Any payments of CURRENT charges made after the 28th are PLEASE VISIT OUR WEBSITE AT [www.washingtonterracecity.com](http://www.washingtonterracecity.com) FOR UPCOMING EVENTS, THE NEWSLETTER, NEW ORDINANCES, CITY CODE, SPORTS INFORMATION, ALERTS AND MORE.

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**City of Washington Terrace**  
 5249 S 400 E  
 Washington Terrace, UT 84405

Please submit with payment



SCOTT, MICHAEL  
 5440 S 350 E #69  
 WASHINGTON TERRA UT 84405

<b>Account Number</b>	33.0862.3
<b>Due Date</b>	12/28/2018
<b>Total Amount Due</b>	<b>\$164.74</b>

**Amount Paid**

SERVICE ADDRESS: 5440 S 350 E STONEGATE #69

## City Council Staff Report

**Author:** Gina Kochendorfer, City Treasurer  
**Subject:** Welcome Packet/Welcome Brochure  
**Date:** January 8, 2019  
**Type of Item:** Work Session - Presentation



**Summary Recommendations:** Staff would like to present our new City welcome packet and welcome brochure.

**Description:** Exhibit A is our welcome packet and Exhibit B is the welcome brochure.

- staff gives the welcome packet to new residents signing up for utility services;
- the brochure is offered instead of the welcome packet since new owners usually come straight from closing and are bombarded with paperwork already;
- when renters come in to sign up (which is not needed), we refer them to have the owner contact us to add their name to the account but we also offer a welcome packet to them as well;
- a welcome brochure was sent this year with all rental business license renewals so that the owners/managers could give them to their renters;
- we are offering to mail a welcome brochure to a new renter, if requested by the owner/manager when they call us to add a new renter's name to the utility account.

**Topic:** Using these 2 outlets, we get to address several topics and direct them to our City website to locate valuable information for the residents such as upcoming events, newsletters, water shut off announcements, etc. Staff does let them choose the packet or the brochure. Some people like tangible reading material, and some prefer less paper and websites for information.

**Background:** In the past, we had been using outdated and/or unnecessary information. This gives them current and up-to-date valuable information.

**Department Review:** The Mayor, City Manager, Finance Director, City Treasurer and Utility Billing Clerks have reviewed and have been using the packets and brochures.