Agenda Item No. D-6

DATE SUBMITTED	September 10, 2015	COUNCIL ACTION	(x)
		PUBLIC HEARING REQUIRED	( )
SUBMITTED BY	L Gutierrez	RESOLUTION	(X)
		ORDINANCE 1ST READING	( )
DATE ACTION REQUIRED	September 16, 2015	ORDINANCE 2ND READING	( )
		CITY CLERK'S INITIALS	( )

IMPERIAL CITY COUNCIL
AGENDA ITEM

SUBJECT: **DISCUSSION/ACTION – IMPLEMENTATION OF CREDIT CARD PROCESSING FEES.**

1. APPROVE/DIS OF RESOLUTION 2015-56, AMENDING RESOLUTION 2014-48 TO INCLUDE A PROCESSING FEE FOR CREDIT CARD TRANSACTIONS.

2

DEPARTMENTINVOLVED: **FINANCE DEPARTMENT**

BACKGROUND/SUMMARY:

In 2008 the City began accepting credit card payments for Utility Bills, Police Citations, Building Permits, etc. Credit card payments are currently accepted in the office, over the phone, and online. The amount of payments being process has grown to 2,500 credit cards payments being processed on a month. The average monthly cost to the City for these services is approximately $8,500 per month which is currently being absorbed 1/3 General Fund, 1/3 Water Fund, and 1/3 Wastewater Fund.

FISCAL IMPACT: F.O. INITIALS_____

The fiscal impact would be a current expense of covering the merchant fees of $8,500 per month currently being charged to the General Fund, Water Fund, and Wastewater Fund.

STAFF RECOMMENDATION:

Staff recommendation is to charge a fee of $3.00 for in the office payments (credit only), $5.00 for over the phone payments, and $2.00 for online payments. The charges are based on an average of the bank's current Merchant Service charges. A Over-the-phone payment is much higher due to the merchant processing fee being at a higher rate since the credit card information has to be manually keyed into the system (All non-swiped cards are considered "High Risk Charges").

MANAGER'S RECOMMENDATION: MANAGER'S INITIALS_____

MOTION:

SECONDED:	APPROVED	( )	REJECTED	( )
AYES:	DISAPPROVED	( )	DEFERRED	( )
NAYES:				
ABSENT:	REFERRED TO:			

	In-Office	Over-the-Phone	Online
City of Imperial	**Proposed $3.00**	**Proposed $5.00**	**Proposed $2.00**
City of Brawley	**No Charge**	**N/A**	**$1.25**
City of Calexico	**$0.35**	**N/A**	**$0.35**
City of El Centro	**No Charge**	**N/A**	**No Charge**
City of Holtville	**No Charge**	**N/A**	**N/A**
City of Westmorland	**N/A**	**N/A**	**N/A**
Heber Utility District	**No Charge**	**N/A**	**$1.25**
Seeley Water District	**N/A**	**N/A**	**N/A**
Imperial Irrigation District	**Credit/Debit/Cash $2.95**	**Credit/Debit $2.95**	**Credit/Debit $2.95**

RESOLUTION NO. 2015-56

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL RELATING TO BILLING FOR WATER, SEWER, SOLID WASTE AND STATE AB 939

WHEREAS, section 23-5, of the Imperial City Code authorizes the City Council to adopt a resolution relating to matters such as due dates, delinquency charges and discontinuance of service for non-payment; and,

WHEREAS, it is the intent of this resolution to supersede prior Resolution No. 2014-48 on these subjects to the extent inconsistent with the terms set forth herein.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. *Billing Date*: All charges for City services (water, sewer, solid waste, State AB939) will be billed on or near the 5th working day of each month for the previous month's services and are due on the 15th day of each month. The customer is responsible for the bill even if the customer does not receive the bill.

2. *Penalty:* The bill becomes delinquent if not paid by the 1st day of the calendar month following the due date specified on the bill. A 10% penalty is assessed on the current amount owed.

3. *Discontinuance of Service:* If payment of all delinquent charges have not been RECEIVED in City Hall during normal working hours prior to the date set forth in the monthly billing and described on a calendar approved annually, the water service will be discontinued.

4. *Delinquency Fee:* A delinquency fee of $50.00 will be applied to all accounts not paid by 5:00 p.m. of the day prior to the scheduled turn off day.

5. *After Hours Turn On Fee:* A fee of $125.00 applies to any account requesting services after 5:00 p.m. on scheduled turn off day, and after 2:00 p.m. any other day of the working week.

6. *All New Accounts:* All applications for Water Services require a Social Security Administration Number, Federal Identification Number, Valid Driver's License, or Department of Motor Vehicle Identification Card. Owner's must provide proof of ownership. Realtor's must provide proof of listing. Tenant's must provide a rental agreement including the signed authorization from the property owner on the Application for Service.

7. *Owner / Property Manger / Realtor / Tenant Account:* An owner may authorize an account to be established in the name of the property manager / realtor / tenant. The owner shall guarantee payment of all bills. All previous charges on account must be paid in full before water is turned on in the new property manager / realtor / tenants name.

8. *Account Deposit:* A deposit of $200.00 is required. Account balance must be paid in full prior to closing of account. Deposit will be applied to the closing bill with the remaining balance, if any, refunded.

9. *Utility Billing Landlord Services Continuation Agreement:* Where an owner authorizes an account to be in the name of another party, the owner shall sign an application for water service as required by this resolution. At the time such account is established, or thereafter upon approval by City, the owner may sign a continuation agreement. Such agreement will provide for continuation of service upon termination of same by the authorized third party. Among other things, the agreement will provide that the services will continue in the name of the owner for a period of not to exceed thirty (30) days, unless extended with the express written consent of the City. In this circumstance owner will not be required to post the deposit normally required of new accounts.

10. *Returned Checks:* A fee of $25.00 will be charged for the 1st returned check and $35.00 for additional checks from the bank for any reason for which the bank refused payment. The check is to be replaced in cash or by money order within 5 days of receiving notice. If the City receives 3 returned checks within a 1 year period, the City will no longer accept personal/business checks for any City service from that same party for the next twelve month period.

11. *Closed Account:* An account without payment activity for two consecutive months is subjected to termination without further notice. Account holder / authorized signer is responsible for any and all charges accrued.

12. *Collections:* Any balance remaining on a closed account after 30 days at the discretion of the City will be forwarded to a collection agency or may be submitted to the County for a lien on the property without further notice.

13. *Credit Card Processing Fee:* Fees for use of Credit Card are as follows:

In-office payment	$3.00
By phone	$5.00
On-line	$2.00

PASSED AND ADOPTED at a Regular Meeting of the City Council held on the 16th day of September 2015.

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Mark T. Gran, Mayor

ATTEST:

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Debra Jackson, City Clerk

DRAFT