



Memo

To: Board of Directors
From: Karl B. Drew
Date: March 13, 2015
Subject: PACE Payment Systems

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.

We have investigated several third party vendors offering merchant services for the acceptance of drafts and credit and debit card payments. All offer free set-up and training but convenience fees vary significantly by vendor. Some of the vendors we have looked at are:

VENDER	CONVENIENCE FEE
PACE Payment Systems	Tiered Pricing based on transaction amount \$0-\$25 \$1.25 \$25.01-\$50 \$1.50 \$50.01 and above \$2.00
PAYMENTUS	\$2.95 per transaction up to a maximum of \$200.00. Multiple transactions at \$2.95 each would be charged for payments greater than \$200.00.
TRANSFIRST	\$3.50 per transaction, with no minimum or maximum transaction amount.

Recommendation: Enter into an Agreement with PACE Payment Processing for the acceptance of credit, debit and draft payments.

Benefits:

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

RESOLUTION NO. 419

**RESOLUTION OF THE BOARD OF DIRECTORS
OF CRESTLINE VILLAGE WATER DISTRICT
ENTERING INTO A MERCHANT AGREEMENT WITH
PACE 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 PACE 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 PACE Payment Systems

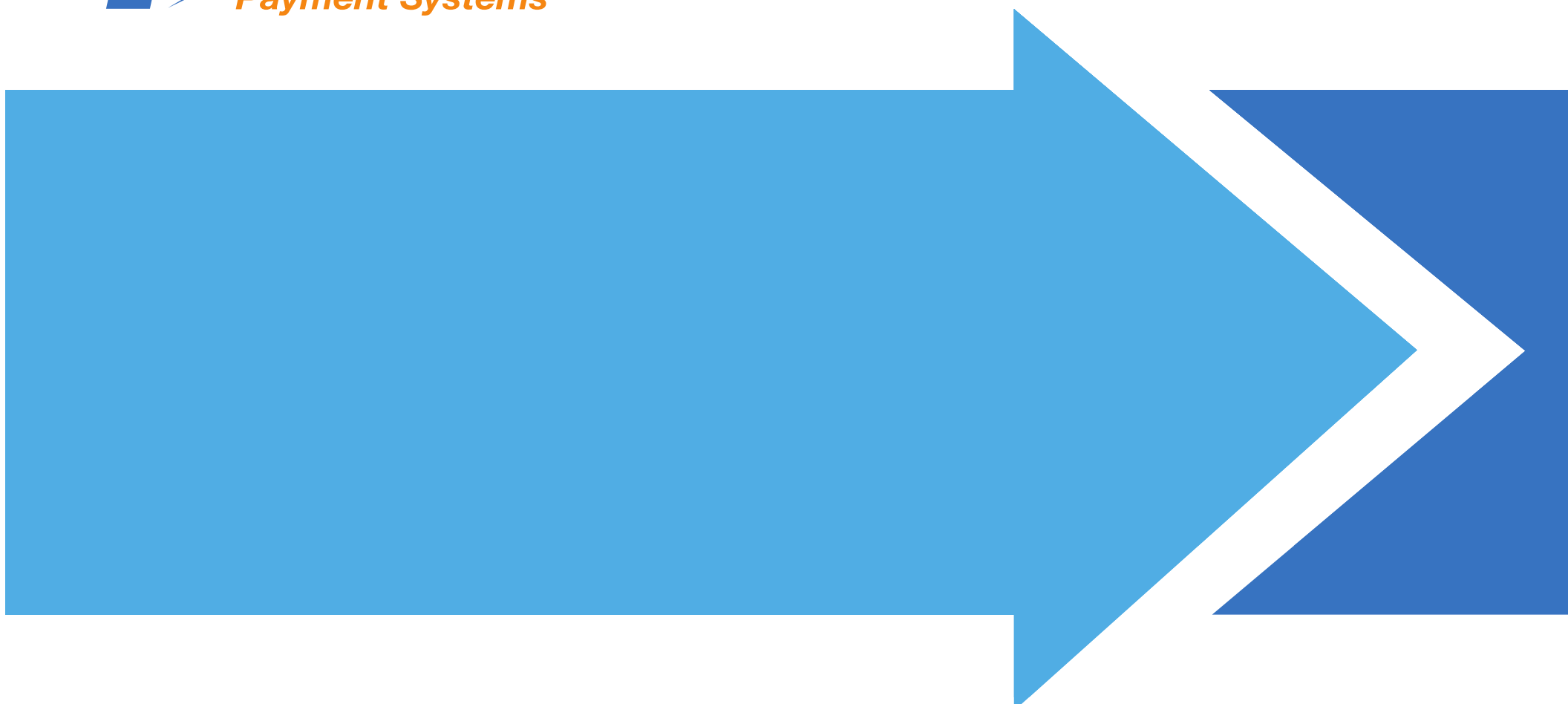
BE IT FURTHER RESOLVED that the Secretary of the Board of Directors shall transmit certified copies of this resolution to PACE Payment Systems.

Dated: March 17, 2015

President, Crestline Village Water District

ATTEST:

Secretary, Crestline Village Water District



Payment Processing Done the Right Way



Who We Are

Pace Payment Systems, for nearly a decade, has served the unique payment needs of government entities across the U.S. We've worked hard to understand the complex challenges government entities face when taking payments, and we've built comprehensive solutions to make the process of transactions with citizens simple, efficient and secure. Your government entity and citizens deserve the focus and knowledge that comes over time. Your government entity and citizens will benefit from the convenience and efficiency of our payment technology.

Pace currently services over 8,000 merchant locations in all 50 states and processes over \$1.8 billion in payment card transactions annually.

Improving Public Sector Payments

Pace is uniquely positioned to deliver turnkey payment solutions designed specifically for Public Sector integration. Our experienced Client Services and Technical Support teams work with government entities to overcome any challenges and ensure your success.



Comprehensive Solutions to make the Process of Transactions with Citizens Simple, Efficient and Secure:

Accept any Payment Type

- All major Credit / Debit cards
- Electronic Checks
- One-time sales, recurring payments, citizen auto-pay enrollment

Run Detailed Reports

- Real-time reporting
- Sub level user IDs
- Detailed reporting available anytime, with scheduled automated distribution • Multi-department setup with consolidated

Guarantee Compliance

- Pace guarantees compliance with all regulations and mandates
- Elimination of any exposure to sensitive cardholder data (PCI compliance)

Settle Funds Quickly

- Direct settlement of funds to multiple bank accounts
- Manage multiple settlement accounts within a single relationship

Establish Zero-cost Processing

- Expenses managed by Pace and our partners with “Citizen Pay” transaction model
- No more time-consuming reconciliation
- No more debits to government entity bank account

Flat Rate Pricing - Tiered Structure

<u>Transaction Amount</u>	<u>Service Fee</u>
\$0-\$25	\$1.25
\$25.01-\$50	\$1.50
\$50.01 and above	\$2.00

This includes V/MC/Discover card present and web transactions in addition to ACH