



**WEST VALLEY WATER DISTRICT
855 W. Base Line Road Rialto, CA**

**FINANCE COMMITTEE MEETING
AGENDA**

FRIDAY, AUGUST 24, 2018 - 10:00 AM

NOTICE IS HEREBY GIVEN that West Valley Water District has called a meeting of the Finance Committee to meet in the Administrative Conference Room, 855 W. Base Line Road, Rialto, CA 92376.

- 1. CONVENE MEETING**
- 2. PUBLIC PARTICIPATION**

The public may address the Board on matters within its jurisdiction. Speakers are requested to keep their comments to no more than three (3) minutes. However, the Board of Directors is prohibited by State Law to take action on items not included on the printed agenda.

- 3. DISCUSSION ITEMS**
 - a. Accepting AMX payments.
 - b. Rebate Checks Outstanding.
 - c. Enterprise Resource Planning (ERP) System Update.
- 4. ADJOURN**

DECLARATION OF POSTING:

I declare under penalty of perjury, that I am employed by the West Valley Water District and posted the foregoing Finance Committee meeting Agenda at the District Offices on August 20, 2018.

Crystal L. Escalera, Board Secretary



**BOARD OF DIRECTORS
FINANCE COMMITTEE
STAFF REPORT**

DATE: August 24, 2018
TO: Finance Committee
FROM: Clarence Mansell Jr., Interim General Manager
SUBJECT: ACCEPTING AMX PAYMENTS

BACKGROUND:

West Valley Water District (the "District") uses three payment platforms for customer bill payments. IVR (Phone payments) are processed by Merchant Services. MasterCard and Visa credit/debit cards are accepted for payment with IVR. On-line payments use EPX as the processor and payments can be made using MasterCard and Visa credit/debit cards. For in-person payments, Chase Paymetech is the processor and payments can be made using American Express (AMX), MasterCard or Visa credit/debit cards.

DISCUSSION:

American Express is currently not offered for on-line payments. EPX can add it to the Districts payment profile so that customers are able to use AMX as a payment option.

During review of AMX as an on-line payment option, the consideration of passing credit card fees to customers was reviewed. Special programming would be required to pass along any credit card processing fee or convenience charges to customers.

FISCAL IMPACT:

AMX is a higher transaction fee credit card. Fees are estimated at 3%. Historical District customer data provided through Chase shows that AMX is a very low use credit card. Currently, AMX is used 1% of the time for in-person payments. If added to our online payment platform it is expected that low usage would result in negligible fees.

STAFF RECOMMENDATION:

Staff recommends adding AMX as an online payment option for customers using the EPX payment platform currently in use.

It is recommended to not pass convenience fees to customers at this time. More detailed analysis

would need to be completed prior to considering the passing of credit card fees to customers. The District has three different payment platforms that require programming to accommodate convenience fees. At this time, it is suggested that this option be reviewed in conjunction with the Tyler System implementation during which time all payment platforms will be removed, added or programmed to Tyler specifications.

Respectfully Submitted,



Clarence Mansell Jr., Interim General Manager

CM;nd



**BOARD OF DIRECTORS
FINANCE COMMITTEE
STAFF REPORT**

DATE: August 24, 2018
TO: Finance Committee
FROM: Clarence Mansell Jr., Interim General Manager
SUBJECT: REBATE CHECKS OUTSTANDING

BACKGROUND:

In April 2018 a 15% rebate was issued by West Valley Water District (the “district”) to rate payers for their 2017 water consumption charges.

DISCUSSION:

Approximately 1800 check remain outstanding. The uncashed checks total over \$138,000. The original checks issued were valid for 90 days.

FISCAL IMPACT:

N/A. The rebate was expensed in April 2018 by the District.

STAFF RECOMMENDATION:

It is recommended that the Chase rebate account is closed as of 9-30-18. This will allow sufficient time for any reissued checks to clear the Chase banking account. Closing the Chase account would also prevent stop payment fees of \$25 per check being assessed to the District.

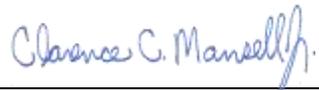
It is additionally recommended that District staff send letters to customers who have uncashed rebate checks. The letter would notify customers who received checks of \$100 or less during the initial rebate mailing to request a check reissue by 10-31-18. The letter would also let customers know that a credit would automatically appear on their water bill in December if a check is not reissued. The District has 1535 outstanding check of \$100 or less totaling approximately \$66,000

The District has approximately 300 checks outstanding greater than \$100 related to the rebate. These outstanding checks total over \$72,000. It is recommended that the District issue a separate letter informing customers to immediately contact the District to request a check reissue. Checks not claimed would be subject to California Government Code Sections 50050-50057 Article 3. Financial Affairs that requires a three year waiting period prior to funds being reverted by escheat to

the District.

All reissued check will be mailed by November 30th.

Respectfully Submitted,



Clarence Mansell Jr., Interim General Manager

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**BOARD OF DIRECTORS
FINANCE COMMITTEE
STAFF REPORT**

DATE: August 24, 2018
TO: Finance Committee
FROM: Clarence Mansell Jr., Interim General Manager
SUBJECT: ENTERPRISE RESOURCE PLANNING (ERP) SYSTEM UPDATE

BACKGROUND:

West Valley Water District (the “District”) uses Enterprise Resource Planning (ERP) software to integrate many of its core business processes and functions into one system. Key examples include the District’s accounting and financial reporting functions as well as utility billing. Although the system was only implemented about 15 years ago, it was originally developed about 30 years ago. The system is outdated and has limitations that no longer meet the District’s needs.

The District issued a Request for Proposals (RFP) to implement a new ERP and received 3 proposals. The top 2 proposers were invited for onsite demonstrations. Accela was invited to demonstrate their Springbook system, and Tyler Technologies was invited to demonstrate their Incode 10 system.

DISCUSSION:

Staff from many different departments attended the software demonstrations and provided feedback. There was a general consensus that both systems would better meet the District’s needs compared to the current system. However, there was a clear preference for Tyler’s Incode 10. This end user preference is in alignment with the conclusion reached separately by the I.T. staff.

The I.T. staff evaluated each system’s potential for increasing efficiency by reducing or eliminating the paper based processes that are currently in place. While both systems have potential for achieving that objective, Accela’s Springbrook system has only the basic capability of attaching electronic files. It does not offer the indexing and searching capability of a Document Management System. Tyler’s Incode 10 does offer that capability.

The I.T. staff also considered the merits of implementing a hosted system, (cloud based), versus an on premise system. While there are pros and cons to each, staff determined that an on premise solution would best meet the District’s needs. Accela’s Springbrook is offered only as a hosted system. Tyler’s Incode 10 is available as a hosted system or as an on premise system. Tyler also offers Disaster Recovery Services, which would back up the on premise system and make it available as a hosted system in the event of a disaster at the District’s headquarters.

During the demonstration, staff identified needs that resulted in the addition of several modules and services that were not included in the original proposal. Tyler has submitted an updated quote, as well as a License and Services Agreement for review. Staff received the License and Services Agreement on August 15th, and expects to complete a preliminary review by August 20th. The agreement will then be forwarded to legal counsel for review. Staff anticipates that final version of the agreement will be ready to present to the Board of Directors for consideration at its meeting on September 20th.

FISCAL IMPACT:

The FY 2019 Capital Budget includes \$390,000 for this project, which should be sufficient.

STAFF RECOMMENDATION:

Consider authorizing staff to bring a License and Services Agreement with Tyler Technologies to the full Board for consideration at its September 20th meeting.

Respectfully Submitted,



Clarence Mansell Jr., Interim General Manager

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