

CITY OF LYNDEN



EXECUTIVE SUMMARY

Meeting Date:	March 17, 2025	
Name of Agenda Item:	InvoiceCloud Online Payment Provider Contract	
Section of Agenda:	Consent	
Department:	Finance	
Council Committee Review		Legal Review
<input type="checkbox"/> Community Development		<input type="checkbox"/> Yes - Reviewed
<input checked="" type="checkbox"/> Finance		<input type="checkbox"/> No - Not Reviewed
<input type="checkbox"/> Parks		<input checked="" type="checkbox"/> Review Not Required
<input type="checkbox"/> Public Safety		
<input type="checkbox"/> Public Works		
<input type="checkbox"/> Other: _____		
Attachments		
InvoiceCloud Initial Contract		
Fiscal Impact		
Amount: \$ N/A		Included in the 2025 Budget?
Source/Fund: General Fund & Utilities		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Comments: The fiscal impact will demonstrate a cost savings by passing on the costs of credit & debit cards to customers. The costs that will continue to be borne by the City are comparable to current arrangements.		
Summary Statement		
<p>The City accepts credit cards, debit card and electronic payments for Utility, Permitting and other payments. Currently, the City is utilizing Xpress BillPay to host online utility bills, facilitate paperless billing and as the processor for online payments. The City has borne the costs for electronic payment methods, with over \$77,000 in expenses being incurred in 2024. It is expected that the frequency and dollar amount of electronic payments will continue to increase as more customers appreciate the convenience of these payment options as well as with the onboarding of the SmartGov permitting application expected in 2025. City Council directed staff to look at methods of these costs being passed to the customers who use these payment methods through a convenience fee /service fee model.</p> <p>Implementing this change necessitates a change in providers. InvoiceCloud is an online payment processor who can facilitate payment, host online utility bills, and support more user-friendly electronic payment options, including pay by text, increased email communications, and new payment options such as ApplePay or PayPal.</p> <p>The attached Contract would partner the City with InvoiceCloud and start the implementation and migration process, which would take approximately 4-6 months. Once live, the City would use a hybrid pricing model, passing along Debit & Credit card transactions, while absorbing the fees to use an EFT / ACH payment.</p>		

In the interim, the City can minimize the exposure of card costs by implementing a policy to limit the dollar value accepted by the City for Credit Card payments.

Recommended Action

The City Council authorize the Mayor's signature on the Contract to allow the City of Lynden to partner with InvoiceCloud, and to establish a maximum transaction policy to limit the City's card costs during the transition period.