

Agenda No. 408

ORDINANCE NO. 190429

*Amend participating agreement with Invoice Cloud, Inc., for paperless billing processing fees to extend term for two years and increase not to exceed amount to \$3,210,000 (Ordinance; amend Contract No. 30005056)

The City of Portland ordains:

Section 1. The Council finds:

1. The Water Bureau's Customer Service Group (WBCS) is responsible for bill presentment and payment processing of the City's water and sewer utility bills. WBCS assists customers by providing utility bill resources which includes account services, billing and collection, quality assurance, meter reading, water efficiency, financial assistance, meter maintenance and repair, and data processing. The revenue from these utility bills are the primary source of revenue for the Water Bureau and the Bureau of Environmental Services.

2. WBCS signed an agreement with Invoice Cloud, Inc. to be their vendor for ACH and credit card payment processing effective February 1, 2016. Invoice Cloud, Inc was chosen due to its PCI compliance and their previous work with Cayenta Utilities, the billing system used by WBCS. The City utilized an Interstate Cooperative Procurement on a contract that Invoice Cloud, Inc. had won through a competitive bid with Spotsylvania County, Virginia on February 27, 2013, in order to quickly restore auto-pay capabilities that had been lost due to the City's issues with PCI compliance.

Introduced by

Mayor Ted Wheeler

Bureau

Management and Finance

Prepared by

Mac Dennis

Date Prepared

April 23, 2021

Requested Council Date

June 2, 2021

Requested Agenda Type

Consent

Date Filed with Clerk

May 25, 2021

3. Invoice Cloud, Inc. is responsible for the payment information of the WBCS's customers used for making online payments and registering for electronic billing options. They process WBCS's credit card, debit card, and ACH payments for utility bills. They are a critical partner for WBCS's AutoPay program, which 50,000 customers have enrolled in.

4. The funds being added are based on an estimate of \$500,000 to be paid each year, or up to \$41,000 per month, to Invoice Cloud, Inc for processing fees for credit card and ACH (electronic check) payments. The processing fees are fixed and based on the volume of transactions. Making payments through services supported by Invoice, Cloud Inc. are increasingly popular for customers, therefore the bureau anticipates more payments from long-term arrangements given the number of accounts with outstanding balances from COVID impacts. That increase in payments is expected to also increase processing costs with Invoice Cloud.

5. Continued work with Invoice Cloud, Inc, is critical to the seamless continuation of payments from customers.

6. WBCS and Invoice Cloud, Inc desire to extend the term of Contract No. 30005056 for up to an additional 24 months to continue collecting utility payments and assisting in managing customer data.

7. Funds are currently allocated for this agreement. The Water Bureau's level of confidence in the cost estimate is "Strong".

NOW, THEREFORE, the Council directs:

- A. The City's Chief Procurement Officer is hereby authorized to amend participating agreement 30005056 with Invoice Cloud, Inc., to increase the not-to-exceed amount by \$1,385,000.00, for a new total not-to-exceed amount of \$3,210,000.00 and to extend the contract for 2 years, provided the amendment is approved as to form by the City Attorney's Office.

Section 2. The Council declares that an emergency exists because a delay in proceeding with the Agreement will seriously impact the service levels as provided by the WBCS, and further disrupt the operations resulting from these services; therefore, this Ordinance shall be in full force and effect from and after its passage by Council.

Passed by Council: June 2, 2021

MARY HULL CABALLERO

Auditor of the City of Portland

Action Taken:

By *Christina Thomas*

Deputy

Commissioners voted as follows (Yea or Nay)

Rubio - Yea

Ryan - Yea

Hardesty - Yea

Mapps - Yea

Wheeler - Yea