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City of Washington Terrace

Minutes of a City Council Work Session
Held on January 8, 2019
City Hall, 5249 South 400 East, Washington Terrace City,
County of Weber, State of Utah

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MAYOR, COUNCIL, AND STAFF MEMBERS PRESENT

- Mayor Mark C. Allen- Excused
- Mayor Pro- Tempe Scott Barker
- Council Member Scott Monsen
- Council Member Blair Brown
- Council Member Larry Weir
- Council Member Jeff West- arrived 5:22 p.m.
- City Attorney Bill Morris
- Finance Director Shari' Garrett
- City Treasurer Gina Kochendorfer
- Public Works Director Steve Harris
- City Recorder Amy Rodriguez
- Lt. Jeff Pledger, Weber County Sheriff
- Planning Commission Chairman Wallace Reynolds
- Planning Commissioner Charles Allen
- Planning Commissioner Dwight Henderson
- Planning Commissioner Darren Williams
- Planning Commissioner TR Morgan- excused
- Planning Commissioner Scott Larsen- excused
- Planning Commissioner Dan Johnson

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Others present

Jake Kendell (Xpress Bill pay)

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1. **ROLL CALL** **5:00 P.M.**
 2. **PLEDGE OF ALLEGIANCE**
 3. **WELCOME**
 4. **WORK SESSION**

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TOPICS TO INCLUDE, BUT ARE NOT LIMITED TO:

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4.1 VISA COMPLIANCE RULES

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Garrett stated that there have been discoveries concerning Visa convenience fees. Kochendorfer stated that it was discovered that there are Visa core rules and compliance. She stated that the \$1.90 convenience fee that we are charging with Visa purchases are illegal. She stated that Visa does not allow convenience fees on utility bills. Kochendorfer stated that we cannot charge for face-to-face or auto pay charges.

49 Kochendorfer stated that if the City accepts service fees in one department, it must be accepted in all
50 services. She stated that if we charge “service” fees for building permits, business licenses, dog licenses,
51 and court, we would need to call them service fees and it would have to be a flat fee or based on a
52 percentage of the charge. Kochendorfer stated that we currently on the higher “government rate”. She
53 stated that our costs would be decreased if we were on the state contract rate, however, we would not be
54 charging fees on utilities.

55 Kochendorfer stated that if we do not charge any fees at all, the City would not be recouping fees on the
56 amount we would be charged by Chase Bank.

57 Kochendorfer stated that we would be able to cover our costs if we went to a flat 2 percent fee for
58 charges on non-utility rates. Garrett stated that the City would be losing \$5500 a year that would affect
59 the utility department. If we did not charge any service fees, we may lose \$7500 a year. This amount
60 fluctuates.

61 Kochendorfer recommends option 3, which is to charge a 2 percent service fee on non-utility accounts
62 and absorb the cost to the Utility Billing Department of around \$5500. Garrett stated that we may have to
63 increase the operating costs of the utility rates to absorb the cost. Garrett asked how Council would like
64 this to be brought back to Council through a fee adjustment to bring us into compliance. Garrett stated
65 that we have enough in our budget to absorb the cost for this year. Council Member Monsen would like
66 to know the numbers on how much the rates would need to be increased to cover the costs.

67 Council Member Brown stated that he trusts staff to make the decision on the amount of the service fee
68 and the direction that the city needs to take to be in compliance and stay fiscally responsible.

69 Council Member Monsen asked if the fee can be automatically put into the rate. Hanson stated that the
70 court fee is set by the state in which we cannot alter.

71 Council Member West agrees that we should not be charging any fees, but rather add it into the utility
72 bill as a cost of doing business.

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74 **4.2 ONLINE PAYMENT PROVIDER**

75 Kochendorfer displayed the current bill system that we are using (Intellipay) for internet payments. She
76 stated that the online bill is cumbersome and not lined up correctly. She outlined a few of the issues that
77 the department is seeing with Intellipay.

78 Kochendorfer stated that she has been researching the Xpress Billpay provide. Jake Kendell, from Xpress
79 Billpay presented their product to Council. He stated that everything is hosted on their service and have
80 security measures in place. Kochendorfer stated that the clerks will be able to log in and pull up anyone’s
81 account. She stated that the card number would be stored in the system securely. Garrett stated that we do
82 not have that capability now. Kendell stated that Xpress Billpay would receive the email addresses from
83 Intellipay customers and send them an email to let them know of the transition, if the City decides to
84 work with Xpress Billpay. Garrett stated that we currently are paying Intellipay based on transactions.
85 Kendell stated that they charge .34 per transaction for credit and debit cards and .44 for bank EFT.
86 Kochendorfer stated that Intellipay charges a lower fee per transaction, noting that this would cost the
87 city more money, but with better customer service.

88 Council Member Brown stated that he is against the higher fees.

89 Kendell demonstrated how to pay a bill online. Kochendorfer stated that if customers saw how easy it is
90 to pay online, they would use it and we would be able to go paperless with their bills and send a blast
91 email of the newsletter to residents. Garrett stated that residents can put limits on the amount pulled from
92 their credit card, called a “safety limit”. Kochendorfer stated that Xpress Billpay easily links up with
93 Caselle for reconciliations.

94 Council Member Monsen would like to know how much we are paying now and how much more would
95 we be paying and is the cost worth it. Kochendorfer stated that it is estimated at around \$6,000 more for
96 Xpress Billpay. Kendell stated that he will get Council the percentage of the increase. He stated that the

97 majority of his customers do sign up for paperless billing. Kochendorfer stated that the initial set up fee is
98 \$1500 and no yearly maintenance. Kochendorfer stated that the bill files will link up with Freedom
99 Mailing. Council Member West asked for the anticipated soft savings, as well as the statistical
100 information that Council Member Brown asked for.

101 Kochendorfer stated that she has researched several other providers. Garrett stated that it is a better
102 product for customers and staff all around.

103 Council stated that they would like to consider the conversation once the financial details are given.

104 Council Member Monsen stated that he is concerned about the money, acknowledging that the primary
105 responsibility is to the residents. Kendell stated that they would save the city money on the merchant side
106 with Chase Bank using the state utility Visa rates.

107 Council Member Brown stated that Council is interested in the idea, but would like more information on
108 the topic.

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110 **4.3 UTILITY BILL LAYOUT- UPDATED**

111 Kochendorfer explained the new Utility Bill Layout, stating that the new bill may have a 12 month bar
112 graph history, however she noted that it is a \$535.00 a year expense.

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114 **4.4 WELCOME PACKET/BROCHURE- UPDATED**

115 Kochendorfer gave Council the updated packet brochure. She stated that the packet can be available in
116 hard copy or online. She stated that the packet will include city information, as well as current
117 information. Kochendorfer stated that she sent landlords the brochure and offered to mail the welcome
118 brochure to their renters.

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120 **BREAK**

120 **6:15 - 6:30 P.M.**

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123 **6. PRESENTATION: OPEN MEETINGS ACT AND NON-DISCRIMINATION TRAINING**

124 City Attorney Bill Morris provided the Open Meetings Act Training to members of Council and
125 Planning Commission per state law. He provided training on harassment and discrimination.

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127 **7. ADJOURN WORK SESSION**

128 Mayor pro Tempe Barker adjourned the work session at 7:03 P.M.

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Date Approved

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City Recorder

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