

## Legislation Details (With Text)

**File #:** BILL NO. 19-217  
**Name:**  
**Type:** Ordinance  
**Status:** Passed  
**File created:** 9/10/2019  
**In control:** City Council - Regular Session  
**On agenda:** 9/17/2019  
**Final action:** 10/1/2019  
**Title:** An Ordinance amending the Schedule of Fees and Charges for the City of Lee's Summit to establish a card payment service fee.  
 (Note: First read by City Council on September 17, 2019. Passed by unanimous vote.)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Ordinance, 2. Exhibit A

Date	Ver.	Action By	Action	Result
10/1/2019	1	City Council - Regular Session	adopted and numbered	Pass
9/17/2019	1	City Council - Regular Session	advanced to second reading	Pass

An Ordinance amending the Schedule of Fees and Charges for the City of Lee's Summit to establish a card payment service fee.  
 (Note: First read by City Council on September 17, 2019. Passed by unanimous vote.)

The City adopted a consolidated Schedule of Fees and Charges by the adoption of Ordinance No. 4634 in 1998 for the purpose of providing clarity for the staff and the public with respect to the various fees and charges of the City. Any amended fees or additional fees require amendment or repeal and replacement of the Schedule of Fees and Charges.

This amendment allows the City to impose a service fee of up to 3% on any payments made to the City by use of a credit or debit card. It is anticipated that the City will apply such a fee at a level of 2.25% based on our banking contract with US Bank that was approved by Ordinance No. 8686 in July, 2019. The calculation of the fee level is contingent on the size and volume of card transactions and therefore subject to some adjustment over time. The cap on the service fee allows the City to apply the most advantageous rate available.

The City previously adopted a 2.5% service fee charge that applied to Jackson County property tax payments collected in our Treasury operation. Approval of this amendment will apply to the Jackson County property tax payments as well as to other card payment processes throughout the City. It is not yet certain that the City will be able to impose the fee on every payment processing mechanism since there are numerous software applications used throughout the City's operations and each is governed by a separate agreement with its own terms and conditions. In addition, the Municipal Court is restricted by State Court Operating Rule 21. We anticipate that we will apply the fee beginning November 1 to those operations where immediately feasible. That timing will allow for a period of approximately 30 days to provide notice to the City's customers. Other applications will be reviewed to determine when and how we can apply the service fee.

It is estimated that the imposition of the service fee will save the City approximately \$480,000 annually with around \$353,000 saved in Water Utilities, \$70,000 in Parks and Recreation, and \$57,000 in the General Fund operations.

**MOTION:**

I move for adoption of an Ordinance amending the Schedule of Fees and Charges for the City of Lee's Summit to establish a card payment service fee

Bette Wordelman, Finance Director