

**MINUTES OF THE BOARD OF DIRECTORS SPECIAL MEETING**

**MONDAY ~ MAY 23, 2022 ~ 7:00 P.M.**

**BLUE LION, 101 NORTH 2<sup>ND</sup> STREET**

On May 19, 2022, Directors Kevin Settle, Neal Martin, George Catsavis, and Lavon Morton called for the special meeting to consider the following:

- ◆ Resolution amending Resolutions No. R-152-21 and R-6-22 and authorizing the Mayor to execute an amended master service agreement and amended statement of work with Paylt, LLC regarding bill payment services

Neither Mayor George McGill nor Vice-Mayor Jarred Rego were present; therefore, in accordance with the Fort Smith Municipal Code, Dawson, seconded by Catsavis, moved to nominate Director Kevin Settle to serve as chair of the special meeting, as well as the study session scheduled to convene immediately following adjournment. The members present all voting aye, the special meeting was called to order by Director Kevin Settle, presiding.

On roll call, the following members of the Board were all physically present: Directors Andre' Good, Lavon Morton, George Catsavis, Robyn Dawson, Kevin Settle, and Neal Martin. Director Jarred Rego was absent. Director Settle declared a quorum present.

Director Settle inquired if any Board member had any item of business to present that was not already on the agenda. There was none presented.

Regarding the above referenced resolution, Director of Utility Lance McAvoy briefed the Board on the item advising that the Board of Directors were made aware of the City's decision to utilize Paylt as the City's new Customer Self Service Application (CSS) at the September 14, 2021 study session. The Board unanimously approved Resolution R-152-21 at the September 21, 2021 regular meeting, which authorized the City to enter

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into a five (5) year agreement with Paylt for third party bill payment services. On January 18, 2022, the Board of Directors also approved an agreement with Paylt for bill pay-by-phone and Solid Waste payment services. Paylt is a Tier 1, PCI Compliant electronic payment system, which is the highest security rating an electronic payment system can achieve. Paylt allows for customers to securely pay their utility bill (water, sewer, and solid waste) online or by using a mobile app. The application will supply the City with the tools to improve online customer service that the current CSS portal does not have. Additionally, Paylt may be expanded in the future to allow payments for such things as business licenses, tax remittances and parking tickets. In each of the statements of work, the fees were outlined. For credit/debit card payments a convenience fee of \$0.80 would be assessed for each transaction, as well as a 2.5% processing fee. For ACH (or auto draft) payments a convenience fee of \$0.80 would be assessed for each transaction, as well as a \$1.25 processing fee. These fees would be passed-on to the customer using the service so the City would be in compliance with State Law, i.e. Arkansas Code Annotated § 14-59-119. The Board of Directors has requested the City pay all of the convenience and processing fees whereby Paylt has been very accommodating and has supplied an amended agreement and scope of work that accomplishes such. Paylt will be able to perform the reconfiguration to remove the customer fees assessed at the time of payment, and provide billing to be paid by the City. The estimated cost to the City is \$500,000 to \$650,000 per year. The originally provided resolution has been revised to clarify the intent of the resolution as recommended by the city attorney. Due to such, the motion to adopt should include *“as revised.”*

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Catsavis, seconded by Dawson, moved adoption of the resolution as revised as aforementioned. Prior to the vote, Director Morton advised he viewed the videos of the meetings in which the agreement and statement of work were authorized and acknowledged that the Board focused on implementation and assurance of a smooth transition. He extended much appreciation to residents for appropriately conveying concern with the associated transaction fees to the Board. Commercial transactions typically include a transaction fee; however, most do not charge a fee for an automatic bank draft, which the existing statement of work with Paylt, LLC requires.

Director Martin concurred with the comments of Director Morton and indicated that he only sees such fees required by governmental entities, i.e. payment of property taxes or vehicle registration. Regardless, he asserted that such is a flaw that should be rectified.

Director Catsavis simply requested information about Paylt, LLC.

Mr. McAvoy advised the company is located in Kansas City, Kansas and provides the subject service to various municipalities nationwide. Utility staff thoroughly reviewed their qualifications and service provided, which resulted in realization that other similar vendors charge higher fees. He reiterated that Paylt, LLC is not limited to utility billing as they also provide other means of collection such as business license fees, and that they are a Tier 1, PCI complaint company that maintains the highest class for cyber security; therefore, he conveyed much assurance that they are the “*gold standard*” in the industry.

The motion remaining on the floor and the members present all voting affirmatively, the Mayor declared the motion carried and the resolution was adopted and given Resolution No. R-81-22.

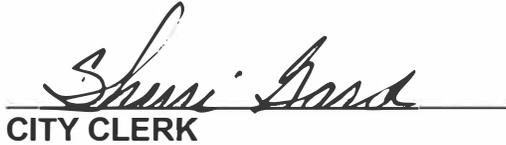
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There being no other business to come before the Board, Director Good moved that the special meeting adjourn. The motion was seconded by Director Catsavis and the members present all voting aye, Director Settle declared the motion carried and the special meeting stood adjourned at 6:07 p.m.

**APPROVED:**

  
MAYOR

**ATTEST:**

  
CITY CLERK