TOWN OF GILBERT NOTICE OF INTENT TO ESTABLISH NEW FEES

Pursuant to A.R.S. § 9-499.15, the Town of Gilbert, Arizona ("Gilbert") hereby gives notice that it may adopt an ordinance/resolution to impose a new service fee related to online payments.

SERVICE FEE OF UP TO 2.75%

The Town proposes a new service fee to recoup the costs of accepting online payments as a convenience to customers. The proposed service fee would be applied to payments made online for services listed in the fee schedule that is available on the Town's website at www.Gilbertaz.gov, including Planning, Business Licenses, Building Safety & Code Compliance, Engineering, Fire Permit, Plan Review and Inspection services. Each payment made online for such services would be assessed a new service fee of up to 2.75% of the online transaction's total gross amount. The proposed service fee will not be applied to cash, check, credit or debit card payments made over the phone or at the front counter.

The Gilbert Town Council will consider this matter at its regular Town Council meeting to be held at the Gilbert Town Council Chambers, located at 50 East Civic Center Drive, Gilbert, Arizona 85296, on <u>June 29, 2017, at 6:30 p.m</u>. Following such consideration, the Town Council may approve, disapprove or modify said ordinance/resolution.

Information about the proposed fee is available at the Town Clerk's office during normal office hours, Monday through Thursday, 7:00 AM-6:00 PM, and on Gilbert's website at https://www.gilbertaz.gov/departments/clerk-s-office/proposed-new-and-increased-taxes-or-fees.

REPORT SUPPORTING NEW SERVICE FEE

The Town currently uses a third party vendor to process online credit card payments made on the Town's website. For each credit card payment made online, the vendor charges the Town a fee of up to 2.75% of the transaction's total gross amount. The percentage amount of this fee varies based on the brand of credit card used by the customer.

The Town has analyzed the total amounts it pays in online processing fees. In February, for example, the Town paid \$2,882.00 in such processing fees. This amount was calculated based upon \$101,232.00 in gross credit charges. Based on the Town's analysis, the Town proposes the new service fee to recoup the costs of accepting online payments as a convenience to customers. Customers using debit cards could avoid this service fee by making a payment at the front counter or over the phone. Credit card customers could also avoid this service fee by making a payment at the front counter or over the phone; however, the surcharge fee would continue to be assessed to cover the banking fee.

DATE POSTED ON	GILBERT	WEBSITE:	April	24 th ,	2017

Lisa Maxwell

Gilbert Town Clerk