

**THE CITY OF KENT, OHIO
WORK SESSION
WED., APRIL 7, 2010**

This work session of Kent City Council was called to order on Wed., April 7, 2010 at 7:04 p.m. by Jerry T. Fiala, Mayor & President of Council.

PRESENT: MR. AMRHEIN, MR. DELEONE, MR. FERRARA, MR. KUCHAR, MS. SHAFFER, MR. VALENTA, MS. WALLACH, AND MR. WILSON

ALSO PRESENT: J. FIALA, MAYOR & PRESIDENT OF COUNCIL; D. RULLER, CITY MANAGER; J. SILVER, LAW DIRECTOR; L. COPLEY, CLERK OF COUNCIL; G. LOCKE, DIR. OF COMMUNITY DEVELOPMENT; AND DAVID COFFEE, DIR. OF BUDGET AND FINANCE.

ABSENT: MR. TURNER

Mayor Fiala said they would be conducting interviews for the vacancies on various boards and commissions at this time. Mayor Fiala thanked all who applied, adding they will be voting at the next regular Council meeting on April 21, 2010.

Diane Werner, Incumbent, Board of Zoning Appeals.

Ms. Werner said she lives at 1276 Windward Lane, and is applying for her second term on the Board of Zoning Appeals. She said she has been and currently is a paid public servant, and believes it is nice to give back to the local community. She said she is able to do so by serving on the Board of Zoning Appeals.

There were no questions for Ms. Werner, and Mayor Fiala thanked her for applying.

Mayor Fiala explained that Alan D. Mail, an applicant for the Board of Zoning Appeals, called the Clerk to explain he was out of town.

Jona Burton, Board of Zoning appeals, with Fair Housing Board/Housing Appeals Board as a second choice.

Mr. Burton said he lives at 216 Linden St., Kent. He said he works at Kent State University, and prior to that, he worked at the Record-Courier. Mr. Burton said he places high value on community service, and has been interested in local government, specifically the Board of Zoning Appeals. He said they had a situation the previous year where a neighbor sold a house and the new owner wanted to convert it to a boarding house. He said he became involved in the process, attending meetings, and reviewing minutes of some previous meetings. Mr. Burton said he realized that this board provides decisions on commercial, rental, single-family homes, single-family renters, and commercial properties. He said that serving on the board would be a great way to have an impact on the community.

Mayor Fiala noted that Mr. Burton also listed the Fair Housing Board/Housing Appeals Board as his second choice.

There were no questions for Mr. Burton, and Mayor Fiala thanked him for applying.

Bill Arthur, Parking Action Committee

Mr. Arthur explained he lives at 226 Frances Dr. He said he applied because he wanted to get involved with some of the parking issues downtown.

There were no questions for Mr. Arthur, and Mayor Fiala thanked him for applying.

Frances Hernan, Incumbent for PARTA

Ms. Hernan explained she was more nervous this time, than the first time. She said he has served on PARTA and the Fair Housing Board/Housing Appeals Board for three years, and would like to do it again. She said she joined this board knowing she had a unique perspective for PARTA. She said that no one else on the Board used public transportation all of their life, adding that she did. She said that is one reason she wanted to be on the board again, not just because of the new terminal. Ms. Hernan said she wanted to let those people, who were so big in government know just what the transportation system provides with their door-to-door service, and the opportunities it gives to families to send their people to Portage Industries and Burbick. Ms. Hernan said with all of the stimulus monies, they should be proud of the way they take care of handicapped people who cannot get in cars or on busses. Ms. Hernan said she is proud of the terminal also. Ms. Hernan said she would like to continue on the Fair Housing Board/Housing Appeals Board also.

There were no questions for Ms. Hernan, and Mayor Fiala thanked her for applying.

Theodore Newman, Sustainability Commission.

Mr. Newman explained he lives at 310 E. Grant Street , and applied for the vacancy on the Sustainability Commission. He said he lived in Kent for a little over one year. He said he is interested in local government and things that go on locally. He said he is interested in environmental issues, adding he has a Master's in Environmental International Policy, and spent several years working for an environmental non profit agency in Syracuse, New York.

Ms. Wallach said she asks all applicants the same question, and asked Mr. Newman what type of car he drives. Mr. Newman said he drives a 1999 Mazda Protégé.

Betsi Konic, Shade Tree Commission

Ms. Konic said she resides at 729 Marilyn Drive and was interested in serving on the Shade Tree Commission. She said she is an avid gardener who has a sincere love of trees and plant life. She said she felt with this interest, and her fifteen years in the customer service and working with people, she could offer help to the community. She said she would be interested in attending the Tree Academy in the fall to offer greater assistance.

Ms. Shaffer asked her for more information on the Tree Academy, and Ms. Konic said she has heard it is very beneficial. She said another board member, Debbie Miller, recommended it. Ms. Shaffer asked if she would be a student or a teacher, and Ms. Konic said she would be a student. She said she has also been attending some of the events hosted by the Master Gardeners' program, adding she hoped they would open an evening program, but none is available at this time.

Mayor Fiala said the last two Commission appointees attended the Academy, and recently graduated.

Mayor Fiala thanked all of them for applying, adding they would be voting on April 21, 2010.

Mayor Fiala said he would review an update of the pending list at this time. He said the City Manager sent out staff's recommendation in their communications, adding it was fairly clear. He said unless there were other comments that members of Council wished to make, all they needed was a motion.

Dave Ruller, City Manager, said there were a lot of items, and suggested instead of going through each one individually, he would suggest they ask questions on specific issues. Mr. Ruller said the staff will attempt to answer their questions. He said they are asking authorization to proceed with their recommendation, adding they could review each one, but that could be lengthy.

Ms. Shaffer said that with respect to Item #5 (Liveable Rental Properties policy) she applauded the actions they have taken thus far, but is not sure they were done. She said they have spoken a little about

extending the possibility of regulating all rental properties, not just boarding houses. She asked if that would be a different item, and **Gary Locke, Director of Community Development**, said that item was still on their list of things to return to Committee. He said they were waiting on the civil infractions' amendment. He said they could return with some discussion in the summer on the rental licensing. Mr. Locke said they are not done with the issue of rental properties, adding he wanted to talk about that further.

Ms. Wallach said she would like to review them individually. She said the first item (Master Plan for Service Area Growth) should be kept on the list, and they should not give up on the issue. She said that once an item is removed, it will be dropped and not discussed further.

Mr. Ruller said the Mayor could not believe they had items from 2004 and 2005. He said on this item, they made a series of outreach efforts in person and by letter. He said when it comes to land control issues, the Township does not have much interest. He said they cannot impose their will on a potential water service area outside of their jurisdictional boundaries. He said with any of these items, it does not mean they will never see it again, as it will stay on their radar screen. He said it is up to Council's preference, adding if they get greater comfort by leaving it on, that would be okay. He said it was presented to us that we needed to clean up the list and start fresh, but removal of the items were at Council's discretion.

Mayor Fiala said that part of this was his suggestion. He suggested if nothing is happening, they either need to consider it, make a recommendation, or pass it by. He said they did not intend to go in depth into these discussions, but whether they should continue to leave items on the list.

Mr. Wilson said with respect to Item #1, when McKinney Blvd. came to them because they needed sewer and water; the township worked with them. He said they have a bigger area designated as a service area, but cannot put in liens without the Township being interested. Mr. Wilson said unless there is a need, the Township will not want to talk to them about running the lines. He said he agreed with the Administration's call to remove a lot of them from the list. He said they have worked on a lot of the issues in different ways.

Mr. Valenta asked if he could discuss another item, and Mayor Fiala said the Manager has made a presentation on a pending list.

Mr. Valenta said he saw where they planned to keep Item #10, Online bill payment, on the list, adding he wanted to see them go one step further. He wanted the availability of credit cards in the billing department with the addition of an IT person. Mr. Valenta said he has discussed this issue with Mr. Ruller, and it would bring them up to current standards.

Mr. Ferrara said it was his recommendation in 2008. He said he is not happy to see it not be ready until 2011. He asked that it takes high priority, adding they should have a stop gap measure prior to 2011. He said it is important enough to have it up and running sooner than later.

Mr. Valenta asked if they can set up a Pay Pal account for water/sewer bills, where people pay the fees. He said with the civil fines, it would make it easier for people to pay them online also, and provides an easier way to collect monies.

Mr. Ruller said they were in a transition for about one year with the change over in the position of Finance Director. Mr. Ruller said their current Finance Director led this issue in Tulsa, and he asked **David Coffee, Dir. Of Budget & Finance**, to briefly address this issue, adding they all share the same desire. He said Mr. Coffee is fairly experienced, and has good explanations as to why this may take some time.

Mr. Coffee said he certainly understands the interest and importance of this issue. He said he led the effort in Tulsa in that regard, but noted they have to walk before you run. He said the reality is that they are migrating their utility billing system to a higher level of that system. He said it is an important migration, with a sequence of events that need to occur. He said that while online bill payment, from the customer's perspective, can be done electronically, they must be ready to accept it electronically. He said he has proposed a complete migration of the internal systems, so they can intake that in an electronic

format. He said they are getting close for the migration to occur.

Mr. Coffee said they can prepare this project in such a way that they are prepared, after the migration, to implement the online portions. He said the connection is not that big of a link, once the system is prepared. He said it is a little different issue, with the fines, and will take more to prepare it for intake.

Mr. Coffee said the issue of credit card acceptance, while connected, is a separate program. He said he initiated a pilot program, with the court system being the first system they allowed credit card acceptance. He said it worked out well, and was very well accepted. He said after that was accepted, they brought in other services, on a justified need basis.

Mr. Coffee said they need to recognize there is a cost associated with this, adding they are in a situation where they are cost sensitive. He said Pay Pal is an example of a certain model that appears to have no cost to the City, but that is not the complete story. He said he wants to review it comprehensively, and it may not be the solution utilized in Tulsa is the best solution in Kent. Mr. Coffee said they have a fiduciary responsibility to make sure they provide the lowest cost option or alternative. He said they are looking for a win/win solution.

Mr. Valenta asked if they can pass the transaction cost onto the consumer using credit cards or electronic bill payments, and Mr. Coffee said he does not mean to be evasive. He said the credit card rules prohibit discrimination, adding they cannot charge a fee because one chooses to use a credit card. He said they need to be discriminate and nondiscriminatory. He said they can put into place a convenience model and debate on whether it is the way to go. He said they want to get the public to use it, as it is a convenience to them, while being an economical and efficient way to process payment intake. He said they need to look at the right balance and the actual costs. He suggested if they get the right provider, they can justify a "no charge" option.

Mr. Wilson said they should give the Administration the year to work on it. He said at his business, he pays 4%. He said they would have to raise their rates again to cover the credit card charges. Mr. Wilson said they can have automatic withdrawal from their checking account, and Mr. Coffee agreed, adding it is available now and is a low cost option.

Mr. Wilson said they must pay their sales taxes online with the State now. He said he would like the staff to look it up and explore all ideas. Ms. Shaffer noted that the State does charge for the use of credit cards.

Mr. Kuhar said in a few businesses he is associated with, credit card fees are based on total volume and average ticket price, and some fees are 1% or less. He said what they are looking at would fall into that category. He said they have been playing with this for a long time, adding it is a simplistic form of collecting money and they need to move. He said people use credit cards at Wendy's now, adding it is a matter of getting the payments on time.

Mr. Coffee said he is familiar with the fast food industry's use of credit cards, adding most of them observed it happen overnight. He said the merchant organizations deemed these market areas, and offered them an emerging market price, lowering their costs specific for that industry. He said it was something similar for utilities, if they can separate transactions properly. Mr. Coffee said he saw a flat fee of .75 per transaction, adding it depends on the average billing amount. He said in the case of Tulsa, they had enough leverage to negotiate a rate. Mr. Coffee said he wanted to stress that he is very much a proponent of electronic payment. He said he wanted no confusion on where he stands, adding that he also recognizes a lot of things have to go into place to get it done right.

Mr. Valenta asked if he felt the lack of progress is because they do not have a dedicated IT person to help upgrade the system, and Mr. Coffee said that is not the key obstacle to the implementation for Kent. He said they could out source that, and the provider would do a lot of the footwork, taking it off the biller (the City) the burden of providing all bells, whistles, and IT support. He said he is not sure he would say that the application is dependent on an internal IT person.

Mr. Ruller said, at this time, that they will be leaving the liveable rental properties on the list.

Ms. Wallach said she would like more information on Item #22, elimination of cul de sacs, and Mr. Locke said they were unsure what that meant. He said the subdivision regulations make provisions for cul de sacs, adding if they want to eliminate them in the future, they need to dig into those regulations. Ms. Wallach said it dealt with future cul de sacs. Mr. Locke said it is not quite as simple as one might think. He said they can discuss it, but since they are not working on the Subdivision Code, it may be quite a while before they discuss it. He said some direction may be helpful.

Mayor Fiala asked if they wanted to keep it on, and Ms. Wallach said it is not a problem, unless they have new developments. Mr. Locke said that is not an issue because of the real estate industry these days.

Mr. Kuhar said he wished to address Item #24, dealing with the number of projects of \$100,000, over the last five years. He said it is irrelevant, as they have done nothing in the last five years. He said there is a lot on the horizon for the next five years, adding that is where it came from. He said they can take it off, but the thought of what Mr. Turner was trying to accomplish should still be there. He said they need to work local jobs into the new major projects.

Mr. Ruller said the only reason they suggested it's removal is that they are ready to report. He said this was a matter of discussion and dialogue with other members of Council, adding some did not want to discuss it at all, and Mr. Turner wanted more. Mr. Ruller said what is on the pending list is what Council passed. He said they did not agree to the big picture study, and asked about the number of projects the last five years.

Mr. Kuhar said everyone knows that nothing happened in the last five years. He said they need to look at projects for the next five years. Mr. Ferrara said the reason that people were against it was because of the unrealistic regulations/expectations of overly restricted requirements for City employees.. He questioned what happens if they impose these qualifications and companies do not bid on the projects. He said the issue is whether they are going to impose it.

Mr. Valenta said he tended to agree with Mr. Ferrara, adding that both items #22 and #24 are restrictive. He said he understands they need to employ their own people, but had to add the caveat that could be restrictive. He said with respect to the elimination of cul de sacs, he does not see how that would be beneficial to housing developments.

Ms. Shaffer said they are present to decide if staff has done the work, and suggested they not have the debate about whether or not they do something. She said now is not the time. She said if the staff is ready, they should either do it or remove it from the pending list.

Mr. Amrhein agreed with Ms. Shaffer. He said if they decide, after the discussion, they need further information, they can put it back on the pending list.

Mr. Wilson said he was not trying to shut up anyone, adding they were getting into committee discussion on each and every one of these items. Mr. Wilson said he was ready to make a motion.

Mr. Ferrara said they are present to decide the merits as to whether or not something stays on the list. He said he did not view it as Committee time.

MOTION TO ACCEPT THE MANAGER'S RECOMMENDATIONS FOR THE PENDING LIST, AS PRESENTED, KEEPING ON THE ISSUE OF LIVEABLE PROPERTIES.

Motion made by Mr. Wilson, seconded by Mr. DeLeone.

MOTION TO AMEND TO MAINTAIN THE ONLINE BILL PAYMENT ON THE PENDING LIST.

Motion made by Mr. Ferrara, seconded by Mr. Kuhar.

It was noted that keeping this on the pending list was the Manager's recommendation, so the amendment

was abandoned at this time.

The motion carried by a voice vote of 8-0.

Hearing no further business before the Council, Mayor Fiala adjourned this Work Session at 7:22 p.m.

Linda M. Copley, Clerk of Council

Jerry T. Fiala, Mayor & President of Council