



August 8, 2013

## REQUESTS FOR PROPOSALS

### MERCHANT SERVICES

Dear Merchant Services Vendor:

The City of West Hollywood, the Successor Agency to the West Hollywood Community Development Commission and the West Hollywood Housing Authority (collectively referred to as "City") is seeking proposals from qualified Merchant Services Vendors to provide Merchant Services.

Qualified Vendors who meet the following minimum criteria are invited to respond to the attached Request for Proposals (RFP).

Vendor must be:

- PCI-DSS compliant and able to submit proof of compliance; and
- Financial stable.

If you meet these minimum qualifications and wishes to respond to this RFP, please submit a contact person via email to:

**Lorena Quijano, Accounting Services Manager**  
City of West Hollywood  
Department of Finance of Technology Services  
8300 Santa Monica Blvd  
West Hollywood, CA 90069  
Phone (323) 848-6513  
Fax (323) 848-6566  
[lquijano@weho.org](mailto:lquijano@weho.org)

**Proposers must submit an original and six (7) copies of their proposals by 4:00 p.m., Thursday October 10, 2013 addressed to:**

City of West Hollywood  
Attn: Corey Schaffer, City Clerk  
8300 Santa Monica Blvd  
West Hollywood, CA 90069

***Proposals received after that date and time will not be considered.***

# **CITY OF WEST HOLLYWOOD**



**REQUEST FOR PROPOSALS**

**MERCHANT SERVICES**

**RESPONSE DUE: October 10, 2013**

**August 8, 2013**

# CITY OF WEST HOLLYWOOD

## REQUEST FOR PROPOSALS

The City of West Hollywood, the Successor Agency to the West Hollywood Community Development Commission and the West Hollywood Housing Authority (collectively referred to as “City” in this document) seeks proposals from qualified Merchant Services Vendors (Vendors).

Responses must conform to the requirements of this Request for Proposals (RFP). The City reserves the right to waive any irregularity in any proposal or to reject any proposal, which does not comply with this RFP. Selection of the Vendor will be made solely by the City on criteria determined by the City.

The successful Vendor will be required to enter into an agreement, which will include the requirements of this RFP as well as other requirements. The initial term of the agreement will be for five (5) years with the option to extend the agreement for additional three (3) year terms.

The City expects, but does not guarantee, that the decision on selection of a Vendor will be made on the date indicated in Section 2. The City assumes no obligation for any costs incurred by any Vendor in preparing the response to this request, attending an interview, or any other activity prior to award of the contract to the selected Vendor.

The City’s principal contact with the City and for this proposal will be Lorena Quijano, Accounting Services Manager, 323-848-6513, [lquijano@weho.org](mailto:lquijano@weho.org), 8300 Santa Monica Blvd, West Hollywood, CA 90069. Vendors may not contact any City of West Hollywood official, employee, vendor or customer to gather information about this RFP.

City Hall is located at 8300 Santa Monica Blvd, West Hollywood, CA 90069. The telephone number is (323) 848-6400, and the fax is (323) 848-6575.

### **1. ABOUT THE CITY OF WEST HOLLYWOOD**

The City of West Hollywood is a General Law City with a Council/Manager form of government. The City is also a contract city, which contracts out many of its public services. The City has approximately 210 full time and about 30 part-time employees. Its operating budget is approximately \$90 million. The City fiscal year begins on July 1 and ends on June 30.

## **2. PROPOSAL SCHEDULE**

The schedule is as follows:

Request for Proposal Issued	August 8, 2013
RFP questions due via email	August 26, 2013
Distribution of answers to questions	September 16, 2013
Proposals Due at City Clerk's Office	
<b><i>No later than 4:00 p.m.</i></b>	<b>October 10, 2013</b>
Interviews, if required	October 28, 2013
Projected City Council Selection	December 2, 2013
Implementation start date	January 2014

## **3. PROCEDURE FOR SUBMITTING PROPOSALS**

### **A. Time, Place and Format**

Proposals must be received at City Clerk's no later than 4:00 p.m. on the date indicated in Section 2. Proposals received in the mail after 4:00 p.m. on the date indicated in Section 2, regardless of the date of their postmark, will be rejected.

Proposals must:

- not be folded and not be bound with any fabric, plastic, glue, staple, folder or rubber bands
- letter tabbing should follow Section 6
- show page numbers for all pages in the proposal
- include seven (7) copies, each punched in a 3-ring binder and one (1) electronic copy on a disc or thumb drive as a PDF file
- be on 8-1/2"x11", 20-24 lb. white paper (do not submit covers)
- be submitted in one or more envelopes, each of which clearly:
  - ✓ states "Merchant Services RFP"
  - ✓ identifies the Vendor
  - ✓ states the number of the envelope and the total number of envelopes submitted by the Vendor
- the envelope must be addressed as follows:

City of West Hollywood  
Attn: Corey Schaffer, City Clerk  
8300 Santa Monica Blvd  
West Hollywood, CA 90069

If hand delivered, address as above and deliver to the City Clerk's office.

Proposals must address the requirements of the RFP in the exact order set forth in this Section. They should be as concise as possible and must not contain any promotional, advertising or display material.

B. Opening of Responses

All proposals will be opened shortly after the due date/time and considered and evaluated within four weeks after the deadline for submitting proposals.

**4. GENERAL TERMS AND CONDITIONS**

- A. Vendors submitting proposals must be Payment Card Industry - Data Security Standard (PCI-DSS) compliant and able to submit proof of compliance to the City with this proposal. Vendors will agree to maintain any association-mandated certifications that may become relevant to the City's credit/debit card processing.
- B. The Vendor will provide the City at no charge with expertise and guidance regarding PCI compliance among its merchants when necessary.
- C. List of Cardholders/Customers: The Vendor may not sell or use cardholder information, including name and addresses, for any purposes other than those agreed upon in writing by the City.
- D. Audit Requirements: Any contract entered into as a result of this RFP will be subject to audit. The Vendor will give full and free access to all records and materials necessary to perform audit fieldwork, including data stored on computer systems, for the City and its authorized representatives. This provision applies to any subcontractor as well.
- E. Vendors may withdraw their proposals, without prejudice, prior to the date and time specified for proposal submission, by sending a written request to David Wilson, Director of Finance and Technology Services. No proposal received after the closing date will be considered.
- F. The Vendor to which award is made will execute a written contract with the City within one hundred twenty (120) working days after Notice of the Award has been sent by mail to the address provided in the Vendor's proposal unless both parties mutually agree to extend the contract execution deadline. If the Vendor to which the award is made fails to enter into the contract, the City reserves the right to nullify the award and award may be made to the next best proposal as determined by the City.
- G. The successful Vendor will not assign, transfer, convey, or otherwise dispose of the contract, or right, title of interest, or power to execute such

a contract to any person, any other vendor, firm, or corporation without previous consent in writing from the City.

However, it is understood that the Vendor, in order to fulfill some of the requirements, might utilize alliances with other processing organizations, including the card associations, hardware manufacturers and/or distributors, and front-end processors. The Vendor must describe when and how these alliances will be utilized to meet the City's requirements.

- H. The contract will provide that the City reserves the right to terminate the contract at any time upon sixty (60) days prior written notice of the City's intent to terminate the contract. Causes for termination of the contract may include, but are not limited to any one of the following: failure to promptly and faithfully provide the services required in this RFP; violation of any law governing any municipal depository; failure to cooperate upon receiving any reasonable request for information or service; and improper actions of the institution's officers or employees which, in the opinion of the City, would adversely affect the City's interest or endanger the safety or liquidity of municipal funds. The contract may be terminated by the vendor upon a 180 day written notice.
- I. The initial term of the agreement will be for five (5) years. Upon expiration of the initial term, the City and Vendor may mutually agree to extend the agreement for additional three (3) year terms under the same terms and conditions. Pricing during the option periods will be negotiated between the City and the Vendor.
- J. This RFP and the proposal submitted in response to this RFP may be incorporated as part of the final contract with the selected Vendor.

**5. CURRENT MERCHANT SERVICES AND BANK ACCOUNT DESCRIPTIONS**

The City currently offers credit/debit card payment options for customers using Visa, and MasterCard. The City currently accepts credit cards and does not charge a convenience fee; the City does not plan on charging convenience fees in the future.

A. Credit/debit cards are accepted for revenue collections. Locations currently accepting credit cards:

City Hall                      *Cashiering Counter:* The City has one main cashier location that accepts all cash and credit card payments over the counter. Payments received are for Community Development (plan checks, building permits, etc.), Finance (business licenses, taxes etc.), Public Works (encroachment permits, etc.), and City Clerk.

In the near future, the City will also begin accepting credit card payments in the Community Development Department Counter; it is expected that these will be swipe only transactions.

Currently none of these payments are received on-line; however, the City is seeking to accept on-line payments in the future.

City Hall                      *Parking counter:* The City has a separate parking counter that accepts credit card payments for parking permits.

Parking                        The City provides a pay by credit card option for a parking space in parking lots and parking meters.

B. Description of Bank Accounts that have a Merchant Services Account

Credit Cards                      The City provides a pay by credit card option for those doing business with the City to pay by credit card. All credit card “deposits” processed through the City Hall cashiers are credited to this account. There are two merchant accounts associated with this account.

Credit Card Pay by Space                      The City provides a pay by credit card option for a parking space. All credit card “deposits” are credited to this account. There are 14 merchant accounts associated with this account. First Data processes credit card payments at parking meters and pay by space lots.

Rent Stabilization      The City's Rent Stabilization (RS) payments are deposited to the RS account. The bills are mailed out by the RS division, around the 2nd week of May, at which point the lockbox is activated for the processing of payments to be received. The bank turns on the lockbox according to the City's annual request as May approaches. The lockbox is needed from Mid-May thru Mid-July. The RS bills have a due date of July 15th, normally. Once the lockbox is closed the bank will forward to the RS division any payments with postmarked envelopes, as these are received after the deadline and are treated differently. While the lockbox is open, the bank transmits a data file to RS containing the details of the payors, amounts, dates, etc. RS uses this data file to interface it with their system to track payments. *There is no merchant account for this activity but there is an interest by the City to be able to accept credit cards for these payments.*

C.      Transaction Processing:

Even though a single merchant number can be used for various Departments, the City's will require each Department to have its own merchant identification numbers (MID). While this structure increases the amount of merchant numbers, it will facilitate reporting, trend analysis, revenue & expense projections and troubleshooting. The City also uses several MIDs for the parking metering operations. This is used for management purposes to track revenue by location.

Currently, City Hall accepts credit card transactions at the cashiering and parking counters.

The City also contracts with the IPS Group for Parking Meters (On-street), Digital Payment Technologies (Parking Lot Pay by Space) and Sentry Control Systems (Parking Structure Pay Stations).

For Vendor reference, listed below are the City's estimated **annual** transactions and amount processed:

Parking Counter

Number of Transactions: 4,871      Total: \$313,315      Average: \$64.32  
Credit Card Machine type: Verifone Model Omni 3730

Cashier Counter

Number of Transactions: 2,851      Total: \$1,592,381      Average: \$558.53  
Credit Card Machine Type: (2 machines) both Hypercom Model T7Plus



On-street Parking Meters

Number of Transactions: 1,372,997      Total: \$2,816,860      Average: \$2.05

Parking Structure

Number of Transactions: 118,761      Total: \$675,649      Average: \$5.69

Parking Lots

Lot Name	Machine Type	Total Transactions FY12/13	Total Collected FY12/13
Doheny	Shelby	12,069	\$ 58,524.35
El Tovar	Shelby	51,916	\$ 138,935.90
La Peer	Shelby	1,586	\$ 13,692.20
Orange Grove	Shelby	8,434	\$ 23,681.45
Queens	Shelby	25,219	\$ 82,910.35
Spaulding	Shelby	2,534	\$ 14,166.20
Sunset	Shelby	19,145	\$ 118,069.75
WeHo Park North	Luke	12,897	\$ 18,561.15

D. Merchant Accounts Structure

<i>Deposit Acct</i>	<i>Credit Cards PayBySpace Lots</i>	<i>BOA</i>
1	8752 El Tovar	CitiMerchant Svcs/First Data Svcs
2	8775 Sunset	CitiMerchant Svcs/First Data Svcs
3	Sunset Plaza Onstreet	CitiMerchant Svcs/First Data Svcs
4	Luke Onst	CitiMerchant Svcs/First Data Svcs
5	La Brea IP	CitiMerchant Svcs/First Data Svcs
6	Sunset East	CitiMerchant Svcs/First Data Svcs
7	8775 Sunset	CitiMerchant Svcs/First Data Svcs
8	Queens Rd	CitiMerchant Svcs/First Data Svcs
9	La Peer	CitiMerchant Svcs/First Data Svcs
10	Doheny	CitiMerchant Svcs/First Data Svcs
11	Spaulding	CitiMerchant Svcs/First Data Svcs
12	Orange Gr	CitiMerchant Svcs/First Data Svcs
13	WHPark Garage	BoA Merchant Svcs
14	WH Onstreet PBC/La Brea	BoA Merchant Svcs
<i>Deposit Acct</i>	<i>General</i>	<i>BOA</i>
1	WH Onstreet Pkg-Varios	West Coast Merchant Svcs
<i>Deposit Acct</i>	<i>Credit Cards/CityHall Cashiers</i>	<i>BOA</i>
1	WH General	BOA Merchant Svcs
2	WH Parking	BOA Merchant Svcs

E. Other Credit Card Services

The City has contracted with other vendors to provide certain credit card services. These services are not being considered at this time. They are as follows:

Parking	City contracts with XEROX for administrating and collecting of parking citations and issuance of parking permits. On a daily basis (business days only), XEROX will deposit the funds (cash, checks and credit cards) collected into this account.
Recreation Services	The City uses ActiveNet to track all activity registrations and facility rental payments. Credit cards payments are accepted both on-line and over the counter at three locations (the Plummer Park, West Hollywood Park and the Pool).

**6. DATA TO BE SUBMITTED WITH PROPOSALS**

The content and sequence of the information contained in each copy of the proposal shall be separated by tabs as follows:

- A. Letter of Transmittal  
Include your understanding of the work to be performed and conformance with the General Terms and Conditions noted in Section 4. In addition, briefly state why you believe to be the best qualified to perform the services requested.
- B. Summary Sheet  
This section of the proposal must include a fully completed copy of the Summary Sheet (Appendix B) included with this RFP.  
  
Provide the name, title, experience and qualifications of the personnel who will be assigned to the project.
- C. Rating (Last 5 Years)  
Provide ratings for the Vendor from Standard & Poor's and Moody's or Fitch. Additionally provide the ratings with respect to the Community Reinvestment Act.
- D. Involvement with West Hollywood Community  
Provide information regarding the involvement of the Vendor in the West Hollywood community during 2011, 2012 and 2013 (thru June).

E. Conceptual Plan

The City has not performed a detailed analysis of its merchant services. It is the intent, through this RFP process, to review current services in order to minimize fees to the City, maximize options for payments to be made on line, in person, via the website and expand credit card acceptance in the Community Development Department's counter, and review the feasibility of establishing a method to accept Rent Stabilization payments.

Although, the City would prefer to maintain all merchant services with one institution, the Recreation Services division already uses ActiveNet and there are no plans to change those services, which began in August 2012. The Parking Division also has an established contract with Xerox for processing of parking related transactions; an assessment of those fees will not be reviewed as part of this RFP process.

Provide a conceptual plan for services to the City that you believe is appropriate for the City. Indicate features, resources, technology, skills and/or services, which distinguish you and make your services the better choice for the City currently and for the future. Include terminology that is easily understood by an everyday person.

Submittal of an implementation plan which includes: the process, requirements of City staff, training that will be provided and project schedule is required as part of the Conceptual Plan. In addition, explain how you will handle day-to-day problem resolution during the transition.

The Vendor's proposal should include a flow diagram (with appropriate narration) that graphically describes the City's transaction processing and fees associated to each step. This diagram will show the flow of data from the initial transaction authorization to the final funding of the City's bank account.

F. Responses to Specific Questions listed in Appendix D

Attached (Appendix D) are specific service questions. For the response to this RFP, the Vendor is to type each question in the order listed in the Appendix with a response immediately following the question.

G. Other Services

The Vendor may be required to provide other services not specifically referenced in this RFP. Based on the information provided in the RFP and your knowledge of the public sector, please describe any services or technological enhancements, not previously mentioned, that should be considered for further improving effectiveness.

H. References and Pending Litigation

List five similar public agencies for which you have provided merchant services in the last five years and when performed. In a table format, show names of organizations, services provided, and names and telephone numbers of persons who can be contacted with regard to the services you have provided.

List any public agencies for which contracts were lost or not renewed in the last five years (note – this excludes the situation where the Vendor was not currently providing services to the public agency and was not a successful proposer in an RFP process). Show names of organizations, services provided, and names and telephone numbers of persons who can be contacted.

Include an explanation and status IF within the last five years, the company or an officer or principal of the company has been involved in any litigation, legal proceedings, or investigations by a regulatory authority.

I. Certification of Proposals

Return a copy of the entire completed certification properly executed as provided for in Appendix A.

J. Vendor's Insurance

The selected Vendor must provide and maintain in force at all times during the term of the services contemplated herein insurance for Workers' Compensation, Commercial General Liability, and Errors and Omissions Liability or Professional Liability in amounts consistent with the services provided and as determined jointly by the City and the Vendor. Such policies should be issued by companies admitted in the State of California. The proposal shall include the amounts of insurance by type of coverage and the deductible or self insured level for each type of coverage.

K. Compensation

Attached (Appendix C) should be completed for all fees to be charged by the Vendor. The City has not charged a convenience fee in the past and it has no intention of doing so in the future. However, these costs should be itemized in monthly statements.

The dollar cost proposal must also include the following:

- i. For the new services, the Vendor must provide all fees for each item and any one-time costs for implementing the service.
- ii. Describe how the service pricing is structured? Are you proposing a flat fee or percentage of sale pricing?
- iii. Describe all direct or indirect fees. These fees shall be included in the Fee Schedule.

- iv. How are discount fees calculated?
- v. Are order charge slips, signs, imprinters and other supplies available through you?
- vi. How are supply orders handled? What is the normal shipping time?
- vii. How will the City be notified of association price adjustments?
- viii. What, if any, prices are adjusted on a regular basis (semi-annual or annual)?
- ix. Should the volume of transactions increase over time, how will the fees be adjusted?
- x. New Services expected to be implemented:
  - a. The Community Development will begin accepting on-line payments and payments at their counter.

While the selection is not based solely on the dollar cost proposal, to be eligible for recommendation as the proposed Vendor for the City, the dollar cost must be reasonable.

## **7. SELECTION PROCESS**

Responsive proposals received by the deadline will be evaluated by an evaluation committee, which may include an outside consultant, established by the City. Additionally, an independent checking of references may be used to assist in selecting the finalist(s). Oral interviews at City Hall may be conducted by the City. Negotiations will take place with the finalist that will be recommended to the City Council.

### **A. AWARD OF PROPOSAL**

Award will be made to the Vendor offering the most advantageous proposal after consideration of all evaluation criteria set forth below. The committee will evaluate all proposals received in accordance with the evaluation criteria. The City shall not be obligated to accept the lowest priced proposal, but will make an award in the best interest of the City after all factors have been evaluated.

A Notification of Intent to Award may be sent to any Vendor selected. Award is contingent upon the successful negotiation of final contract terms. Negotiations shall be confidential and not subject to disclosure to competing Vendors unless an agreement is reached. If contract negotiations cannot be concluded successfully, the City may negotiate a contract with the next highest scoring Vendor or withdraw the RFP.

The recommended proposal will be submitted to the City Council for approval. The Vendor selected will enter into a contract with the City.

B. EVALUATION CRITERIA

The following is the evaluation criteria that will be used to evaluate all proposals:

<b>CRITERIA</b>	<b>Percentage</b>
Financial stability of Vendor	Pass/Fail
PCI-DSS compliant and submitted proof of compliance with this proposal.	Pass/Fail
Submission - quality and completeness relative to the description given in the RFP.	5%
Involvement with West Hollywood Community.	5%
Providing meaningful online reporting.	10%
Ability of the Vendor to meet current operating requirements, including installing new merchants, processing transactions, provide new equipment when needed, and troubleshooting problems.	10%
Qualifications, experience, and availability of key persons to be assigned to the contract resulting from this RFP.	10%
Implementation & conversion plan and timeline, including ease of implementation.	10%
Municipal Government References: Experience and success in providing merchant credit/debit card processing services to municipal government.	10%
Conceptual plan - Ability of Vendor to assist the City in upgrading and improving its credit/debit card acceptance operations as new technology; security standards; and ensuring rules are introduced to the marketplace in the most cost efficient manner.	15%
Ability of Vendor to provide the most competitive pricing and discount fees.	25%

## **8. GENERAL REQUIREMENTS**

### **A. Right to Request Additional Information**

During the evaluation process, the evaluation committee reserves the right, where it may serve the City's best interest, to request additional information or clarifications from the Vendor, or to allow corrections of errors or omissions. At the discretion of the evaluation committee, Vendors may be requested to make oral presentations as part of the evaluation process.

### **B. Right to Reject Proposals**

The City reserves the right without prejudice to reject any or all proposals.

### **C. Proposal Interpretations and Addenda**

Any change to or interpretation of the RFP by the City will be sent via email to the contact person provided by each Proposer to the Accounting Services Manager and any such changes or interpretations shall become a part of the RFP for incorporation into any agreement awarded pursuant to the RFP.

### **D. Public Record**

All proposals submitted in response to this RFP will become the property of the City upon submittal and a matter of public record pursuant to applicable law. The City reserves the right to retain all proposals submitted.

### **E. Additional Services**

The general service requirements outlined above describe the minimum work to be accomplished. Upon final selection of the Vendor, the scope of service may be modified and refined during negotiations with the City.

### **F. Undue Influence**

Vendor declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City in connection with the award or terms of the Agreement that will be executed as a result of award of this RFP, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of the Agreement or any work to be conducted as a result of the Agreement. Violation of this Section shall be a material breach of the Agreement entitling the City to any and all remedies at law or in equity.

**APPENDIX A**  
**CERTIFICATION OF PROPOSAL TO THE CITY**

1. The undersigned hereby submits its proposal and, by doing so, agrees to furnish services to the City in accordance with the Request for Proposal (RFP), dated August 8, 2013 and to be bound by the terms and conditions of the RFP.
2. This Vendor has carefully reviewed its proposal and understands and agrees that the City is not responsible for any errors or omissions on the part of the Vendor and that the Vendor is responsible for them.
3. It is understood and agreed that the City reserves the right to accept or reject any or all proposals and to waive any informality or irregularity in any proposal received by the City.
4. The proposal includes all of the commentary, figures and data required by the Request for Proposal, dated August 8, 2013.
5. This Vendor has carefully read and fully understands all of the items contained in Section 8, General Requirements. This Vendor agrees to all of the general requirements except for those listed on an attachment.
6. The proposal by this Vendor is an irrevocable offer; it shall be valid for 120 days from October 10, 2013 unless both parties mutually agree to extend date.

Name of Vendor: \_\_\_\_\_

By: \_\_\_\_\_  
(Authorized Signature)

Type Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Email: \_\_\_\_\_

Date: \_\_\_\_\_



**APPENDIX B**  
**SUMMARY SHEET**

Vendor Name: \_\_\_\_\_

Vendor Parent or Ownership: \_\_\_\_\_

Vendor Address: \_\_\_\_\_

\_\_\_\_\_

Vendor Telephone #: \_\_\_\_\_ Vendor Fax #: \_\_\_\_\_

Federal TIN \_\_\_\_\_ State TIN \_\_\_\_\_

Number of years in existence: \_\_\_\_\_

Management person responsible for direct contact with the City and services required for this Request for Proposal (RFP):

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Person responsible for day-to-day servicing of the account:

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

\_\_\_\_\_  
Location (address) of closest office to the City of West Hollywood

Please provide an organizational chart outlying the relationship and reporting hierarchy of the Vendor and also of the government services division.

Attach brief biographies, including experience with local governments, for all responsible person(s) assigned to the RFP and to the City of West Hollywood.

**APPENDIX C**  
**VENDOR SERVICES BID FORM**

Monthly Average  
FY 12-13

←----- Fees/Charges by Type ----->

Service Area	Card Type	Revenue	Transaction s	Type:		Type:		Type:		Total \$ Amount
				Rate	\$ Amount	Rate	\$ Amount	Rate	\$ Amount	
City Hall 1st Floor - Cashier	VISA	\$ 104,832	188							
	M/C	\$ 27,867	50							
City Hall 1st Floor – Parking	VISA	\$ 20,627	321							
	M/C	\$ 5,483	85							
On-Street Parking Meters	VISA	\$ 185,443	90,389							
	M/C	\$ 49,295	24,027							
Off-Street Parking Lots	VISA	\$ 30,846	8,809							
	M/C	\$ 8,199	2,342							
WEHO Parking Garage ( 5 story structure)	VISA	\$ 44,480	7,818							
	M/C	\$ 11,824	2,078							
Grand Total All Service Areas ---->										

(Add additional columns if necessary.)

**APPENDIX C  
(CONTINUED)**

American Express Cards:

What would be the fees/charges if American Express cards were accepted based on the following data:

- a. City Hall 1<sup>st</sup> Floor Cashier - 25 transactions per month with total monthly transactions of \$13,000
- b. On-street parking meters – 11,500 transactions per month with monthly transactions of \$24,000

Other Fees/Charges (if any - if none or zero please state):

Equipment - Revenue Counter (indicate type/model/and model number)

Equipment - Parking Counter 1 (indicate type/model/and model number)

Equipment - Parking Counter 2 (indicate type/model/and model number)

Chargeback Fees:

Monthly Maintenance:

Annual Fees:

Training Costs:

Others (please list):

Instructions:

1. For fees/charges that are based on volume (either transactions or dollars) use the chart above. Each fee/charge placed in the chart above requires two columns, the unit cost and the total cost based on the volume. In addition for each fee/charge on the chart indicate the type of fee (for example authorization fee) in the space provided. If there are more than three types of volume type fees add additional columns.

\*\*Vendor should include ALL fees related to the proposed services  
and/or new services being offered.\*\*

## **APPENDIX D**

### **SPECIFIC QUESTIONS**

#### **A. General Information**

1. In which city and state is your merchant credit card processing operations located? If non-local, do you have a toll free customer service telephone and fax number?
2. How do you stay current and competitive in merchant services?
3. What representation do you have on MasterCard or Visa boards or committees?
4. What new services or features have you implemented in the past two years? Do you have any new services/technologies in implementation currently? How will the firm incorporate these in the agreement with the City?
5. What major changes do you see occurring in merchant services in the next five years? Do you have plans to help customers move to new technologies? Should the City anticipate and plan for upcoming hardware and software changes?

#### **B. Relationship Representatives**

1. What is the expected turn-around time on general issue resolution? Is there any formal procedure for internal escalation of issues for resolution?
2. How often do your primary representative(s) plan to meet with the City to assure smooth functioning, lowest discount/interchange rate reviews, and changes?

#### **C. Card Acceptance/Interface Processing**

1. Describe the steps involved for acceptance of credit and debit cards. Differentiate between different types of cards and presentment. Describe your virtual processing.
2. Describe the process and any additional equipment/software necessary for acceptance of e-checks.
3. What hardware and software requirements will you have for the acceptance of cards? Pin/pinless?
4. Is replacement or reprogramming necessary for existing City equipment? Detail and discuss costs. Does the City's current equipment represent any connectivity difficulties including integration of data, security and connectivity issues?
5. Do you provide equipment on a rental or purchase basis? Describe equipment maintenance plans for any rental equipment?
6. What is the expected/guaranteed turnaround time on maintenance or equipment substitution for rental equipment?
7. How do you handle equipment conversions or deployment needs on rental equipment?
8. What supplies will be provided with a purchase or maintenance agreement?
9. Is there any additional installation required for virtual processing? Describe.

10. Describe any browser-based and/or terminal based systems you are recommending. Describe the interface requirements and compatibility issues.
11. What flexibility does the City have regarding how transactions are listed on customer card statements? Can the City set the description for its charges as those charges will appear on customer bills? (The City needs clear definition as to the charge source to eliminate excessive charge-backs.)

**D. Authorization Processing**

1. What authorization/connectivity gateway options do you support? Which do you recommend? List and describe alternatives.
2. Describe the process you use to add additional third party gateways.
3. What is the procedure to reverse/recall an incorrect authorization? Describe how you handle an after-authorization return.
4. What limitations, if any, are set by batch? Are there any limitations on the number of files transmitted each day?
5. Do you maintain direct authorization and settlement links to the networks or utilize a third party for authorizations? Describe your configurations.
6. Do merchants incur any monthly access/subscription fees to connect to the network? If so, state the fee in Appendix C.
7. Describe your address verification (“AVS”) compliance process.
8. Describe the procedures to be followed if a transmission request is denied authorizations.
9. Are there any authorization differences between card types?

**E. Settlement Processing**

1. Describe the settlement process workflows for the merchant with terminal based and virtual systems.
2. How are funds transferred: ACH or FedWire?
3. What is the settlement transmission time frame and cut-off time for Visa and MasterCard? American Express? Discover? Will this fluctuate at any time?
4. Do you have any reporting mechanism to aide daily reconciliation?
5. Do you allow for multiple settlement accounts by merchant? Is this available for all card types?
6. Are settlement amounts listed separately or will they appear as one daily sum? What level of detail does the firm report? Submit a sample report.
7. Will Saturday and Sunday activity be combined into Monday activity?
8. Are settlements on gross amount and fees charged monthly? If not, how are they charged?

**F. Ticket Retrieval and Chargebacks**

1. Do you have a designated department to manage chargebacks? Describe the chargeback processes. Is the management of transaction records handled totally online? Is it a secure portal?
2. What reports are available to monitor and manage the chargeback (dispute resolution) process?
3. Do you support document imaging on a retrieval request?

4. What is the average elapsed time on chargeback processing?
5. Are credit card chargebacks and debit adjustments netted from daily proceeds or are they debited separately? Are funds debited from the operating account or a separate escrow account?
6. How can chargeback information be best reconciled?
7. When will the City receive credit on merchant fees for chargebacks?
8. Do you provide the capability to archive and retrieve transaction information, including signatures for bankcard transactions and non-bank card transactions? What information is stored and for what period of time? Can the City/merchant retrieve this information online?

G. Debit Card Processing

1. The City currently accepts debit cards? For the future, do you recommend pin or pinless processing or both?
2. Describe what additional City equipment would be necessary to accept debit transactions.
3. Differentiate between PIN and PINLESS transactions handling. Which regional or national EFT networks do you support?

H. Technical System Capabilities:

1. What are the recommended workstation requirements (including operating system, hardware and software including browsers and security) to be used by City staff that are adequate for online inquiry and most operational activities?
2. Can you provide an online portal for processing transactions at merchant Point of Sale ("POS") or through the City website? Describe how this would function?
3. Describe the processing platforms you offer to support the City.
4. Do you have alternative or backup processing centers and redundancy in place?
5. Are all transactions verified based on real-time data?
6. Outline the security measures in place for the protection of data provided or received for processing within and above established minimum standards.
7. Are all the major fraud control verifications available (list and describe them)?
8. Is signature image capture available for debit and credit cards?

I. Information Reporting

1. List the reports available and the process used to receive and view reports.
2. Describe the reporting by merchant and citywide.
3. Does the system provide for drill-down and roll-up reporting?
4. What report frequency and real-time access is provided for reporting?
5. Do reports include both transaction and payment information?
6. How long are reports maintained online or archived for access?
7. Is merchant reporting via Point of Sale ("POS") terminals available?
8. Can your system combine various association transactions in one statement?

9. Is historical information regarding sales, refunds, and chargebacks maintained in a database for access by merchant? What is the retention period?
10. How are multiple merchants reported?
11. Provide sample(s) of reports that will be available to the City.

J. Implementation

1. Outline the schedule for implementation to include all merchant accounts and any necessary equipment changes.
2. Describe the merchant training process and any ongoing training that is available/planned (e.g., courses, frequency, location, and cost) for staff.
3. After initial implementation, how are new merchant accounts established? How long is the normal implementation process for such merchants?
4. List any resources, City assistance, or other items expected to be provided by the City.

K. Customer Service

1. Vendor must provide access to phone, internet and technical support service Monday through Friday, excluding bank holidays, between the hours 8:00 A.M. and 5:00 P.M. (PST). Will you be able to comply with this customer service?
2. Describe the dispute process for both cardholders and merchants.
3. Do you periodically provide cost-of-acceptance analyses for clients to ensure the best application and advantage?
4. Do you offer any newsletter covering industry issues, rules, and regulations? How often? Provide the latest copy.
5. Describe the promotional support you provide (e.g., signs, supplies, funds for specific purposes, advertising allowance). Is there any cost for this basic support?

L. Security

1. How is Payment Card Industry ("PCI") compliance requirements monitored and incorporated into your processes?
2. How do you qualify new merchants for PCI? Does the Firm monitor PCI compliance of its merchants?
3. How will you communicate PCI issues to the City of West Hollywood?
4. What training will you make available to the City of West Hollywood?
5. Describe the security measures used to prevent unauthorized user access to either the system or the data.
6. Where does liability fall in the process of recouping loss due to fraud?

M. Disaster Recovery

1. Is there a continuity plan in place for processing systems and platforms in a disaster situation?
2. What is the expected time frame to resume operations in a catastrophic event scenario at a merchant site? What support is available?
3. When was your backup system last used? Under what circumstances? How long was the backup in operation?
4. What City records will be archived? Will the City be required to maintain backup documents? What kind and for how long?
5. Over the past year, what was the longest period that you were unable to authorize transactions?

N. Environmental Sustainability

1. Please explain methods that will be used while conducting business in the City of West Hollywood that encourages recycling of materials and implementation of environmentally friendly practices and procedures.

O. Mobile Transactions

1. Describe mobile services you provide and their functionality.