

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Jennifer Cooperman		2. Telephone No. 823-6851	3. Bureau/Office/Dept. OMF/Treasurer
4a. To be filed (date): May 8, 2013	4b. Calendar (Check One) Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst:
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title: Authorize a four year contract with U.S. Bank Government Banking to provide merchant bankcard services for a not to exceed amount of \$10,524,000 (Ordinance RFP No. 114739)

2) Purpose of the Proposed Legislation: The purpose of this legislation is to authorize a contract with U.S. Bank Government Banking for a four year contractual total not to exceed \$10,524,000; there is an option for an additional one year renewal. The contract will provide for electronic payment card processing, online account access and reporting, and other merchant bankcard services for City bureaus.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|---|------------------------------------|------------------------------------|--------------------------------|
| <input type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |
| <input checked="" type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source. No change in revenue generation is anticipated.

5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the **level of confidence**.)

Services will be provided on a regular basis and billed as utilized per the contract. The City's Office of Management and Finance, Public Finance and Treasury Division anticipates that Bureaus using merchant bankcard services will see processing fees netted from their gross payment card revenues and will account for these fee amounts in their requested budgets.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)* No
- **Will positions be created or eliminated in *future years* as a result of this legislation?**
No

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)* No change in appropriations.

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

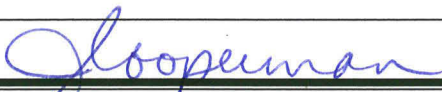
- ☒ **YES:** Please proceed to Question #9.
☐ **NO:** Please, explain why below; and proceed to Question #10.

There was involvement from the public through the Minority Evaluator Program in the selection of the firms to provide these services, however the services are limited to internal business operations.

9) If "YES," please answer the following questions:

- a) What impacts are anticipated in the community from this proposed Council item?** None, as the services are limited to internal business operations.
- b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?** The banking community, including those certified with the State of Oregon as minority, women, and emerging small businesses. They became involved when the public solicitation was advertised on the City's Online Procurement Center on October 18, 2012.
- c) How did public involvement shape the outcome of this Council item?** Proposals received were reviewed and evaluated. With involvement from the public through the Minority Evaluator Program, the recommendation of the firm to provide these services will result in the awarding of a goods and services contract.
- d) Who designed and implemented the public involvement related to this Council item?** Procurement Services advertised a competitive request for proposal that was open to the banking community and any subcontractors, including those certified with the State as minority, women, and emerging small businesses.
- e) Primary contact for more information on this public involvement process (name, title, phone, email):** B. J. Gibson, CPPO, Procurement Manager, 503-823-7665, barbara.gibson@portlandoregon.gov

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not. No future public involvement is necessary to execute the goods and services contract. No future public involvement is anticipated, since the services provide for internal business operations.



Jennifer Cooperman, City Treasurer



CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

Charlie Hales, Mayor
Jack D. Graham, Chief Administrative Officer
Bryant Enge, Director, Bureau of Internal Business Services

186045

Christine Moody
Chief Procurement Officer
Procurement Services

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FOR MAYOR'S OFFICE USE ONLY

Reviewed by Bureau Liaison _____

DATE: April 24, 2013

TO: Mayor Charlie Hales

FROM: Christine Moody, Chief Procurement Officer CM

RE: * Authorize a four-year contract with U.S. Bank Government Banking to provide merchant bankcard services for a not to exceed amount of \$10,524,000 (Ordinance RFP No. 114739)

1. **INTENDED THURSDAY FILING DATE:** May 9, 2013
2. **REQUESTED COUNCIL AGENDA DATE:** May 22, 2013
3. **CONTACT NAME & NUMBER:** Christine Moody x31095
4. **PLACE ON:** ☐ CONSENT ☒ REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:** ☒ Yes ☐ No ☐ N/A
6. **ONE (1) ORIGINAL OF CONTRACT "APPROVED AS TO FORM" BY CITY ATTORNEY ATTACHED:** ☒ Yes ☐ No ☐ N/A

7. BACKGROUND/ANALYSIS:

The City's Office of Management and Finance, Public Finance and Treasury Division is the central office through which all banking, cash management, merchant bankcard services, investment and debt management services are provided to City bureaus.

On October 18, 2012, the Chief Procurement Officer advertised RFP No. 114739 for General Banking Services and Merchant Bankcard Services. To maximize competition for and encourage local participation in the solicitation process (Responsible Banking Policy Resolution No. 32926), the RFP requested separate proposals for each of the services. Additionally, the RFP requested Portland-specific data regarding corporate citizenship in the areas of workforce demographics, community service, banking efforts expended to foster economic development, small business lending, homeownership and foreclosure prevention, and programs targeted to the non-banked and under-banked populations.

On November 29, 2012, seven (7) proposals were received for Merchant Bankcard Services. The proposals were reviewed, evaluated, and scored in accordance with Portland City Code 5.33.

The proposal from U.S. Bank Government Banking was deemed responsive to the requirements of the solicitation, and received the highest evaluation scores for the merchant bankcard section. On March 4, 2013, the City issued a Notice of Intent to Negotiate and Award a four (4) year contract to U.S. Bank Government Banking for Merchant Bankcard Services with the option to renew one additional year. No protests were received.

U.S. Bank Government Banking has a current City of Portland business license, is in full compliance with the Equal Benefits Program, and their EEO Certification is current through September 4, 2014. They are not a State of Oregon Certified MWESB contractor. U.S. Bank Government Banking has offices located throughout the Portland Metro Area. The level of confidence in the cost estimate for these services is High as historical information showing transactions made for previous years are well documented.

Awarding a contract to U.S. Bank Government Banking will provide for electronic payment card processing,

An Equal Opportunity Employer

To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.

online account access and reporting, and other merchant bankcard services.

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Legal issues - none known

Controversial issues – none known

Citizen participation – Mr. Larry Jackson, Sr. participated as an evaluator under the Minority Evaluator Program.

Link to current city policies – none

Other governmental participation – none

8. FINANCIAL IMPACT:

The City's Office of Management and Finance, Public Finance and Treasury Division anticipates that Bureaus using merchant bankcard services will see processing fees netted from their gross payment card revenues and will account for these fee amounts in their requested budgets.

9. RECOMMENDATION/ACTION REQUESTED:

Authorize a four year contract with U.S. Bank Government Banking to provide merchant bankcard services for a not to exceed contractual total of \$10,524,000.