

IMPACT STATEMENT

Legislation title: *Amend contract with US Bank/Elavon to provide merchant bankcard services for an additional one-year period and at an estimated amount of \$8,800,000. (Ordinance; amend Contract No. 30003476)

Contact name: Jennifer Cooperman, City Treasurer

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Presenter name: Jennifer Cooperman

Purpose of proposed legislation and background information:

The City's contract with US Bank/Elavon expires on July 31, 2017 and includes an option to extend for an additional one-year period to July 31, 2018. If at the end of the City's competitive solicitation for merchant services (via separate ordinance), the City's merchant services contract is awarded to a new vendor, this additional one-year period will likely be needed for the transition to the new vendor.

Since 2013 when this contract was first executed, the number of separate bureaus programs that accept credit cards and debit cards as payment for City services has doubled from 44 to 83, and the number of transactions the City processes annually has increased from eight million to over 12 million.

The City's contract with US Bank/Elavon reflects two components:

1. The negotiated processing fee to Elavon of \$0.0225 per transaction, and
2. All Visa, MasterCard, Discover interchange fees, assessments, dues fees and other charges, which Elavon passes through and collects from the City at cost.

Financial and budgetary impacts:

The contract is paid for by the bureaus and programs that use this service.

Community impacts and community involvement:

Bureaus provide increased customer service and convenience by allowing their customers to pay for City services using credit cards and debit cards.

Budgetary Impact Worksheet**Does this action change appropriations?**☐ **YES:** Please complete the information below.☒ **NO:** Skip this section

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