

IMPACT STATEMENT

Legislation title: Authorize a five-year Price Agreement with U.S. Bank/Elavon for Merchant Services for a not-to-exceed amount of \$25,000,000.
(Procurement Report - Project #121332)

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Presenter name: Larry Pelatt - Interim Chief Procurement Officer / Jennifer Cooperman, Chief Financial Officer

Purpose of proposed legislation and background information:

The purpose of this legislation is to authorize a Price Agreement for the purchase of merchant services on an as-needed basis for the next five years. This agreement will replace an agreement from the previous solicitation, which expires on July 31, 2018.

Many bureaus and programs in the City rely on merchant services - the acceptance of credit cards and debit cards as payment for City services, so it is essential that the City have a merchant services vendor in place.

The majority of the fees covered by this contract are set by Visa, MasterCard and Discover, so they are non-negotiable, and are passed-through from the vendor to the City at cost.

This legislation does not change any City policies.

No revenues will be impacted by this legislation.

Financial and budgetary impacts:

City Council passed Ordinance No. 188306 on April 5, 2017, authorizing the Chief Procurement Officer to issue a competitive solicitation for the purchase of merchant services for an estimated amount of \$25,000,000.

It is requested that Council authorize the Chief Procurement Officer to execute a Price Agreement with U.S. Bank/Elavon for Merchant Services for a not-to-exceed amount of \$25,000,000.

Based on historical usage of these services, Bureau confidence in the not-to-exceed amount of the Price Agreement is "High".

Services under the Price Agreement will be paid for by the bureaus and programs that use these services.

No positions will be created, eliminated or re-classified as a result of this legislation.

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.

On April 5, 2017, City Council passed Ordinance No. 188306 authorizing a competitive solicitation for the purchase of merchant services. The goods and services contracting community, including contractors certified with the State of Oregon as disadvantaged, minority owned, woman owned, and emerging small businesses became involved when the solicitation was publicly advertised on the City's online procurement system on April 26, 2017. Potential proposers were able to review the competitive solicitation, ask questions, provide comments and submit proposals.

On May 24, 2017, eight (8) proposals were received, and five (5) were deemed responsive to the solicitation requirements. The proposals were evaluated and scored by a panel of evaluators including a member from the Minority Evaluator Program. The City issued a Notice of Intent to Negotiate and Award a price agreement on June 29, 2017. No protests were received.

No known persons or groups will be testifying.

No future public involvement is anticipated or necessary for this request.

100% Renewable Goal:

Electronic systems utilized for performing services under this Price Agreement are 100% powered by renewable energy sources.

This action does not increase or decrease the City's current total energy use.

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