



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 3/15/2018

T25920 - Merchant Credit Card Services - ORDINANCE

Agenda Item#:

Summary:

ORDINANCE approving and authorizing an agreement between the City of Houston and **JPMORGAN CHASE BANK, N.A.** for credit card processing services for various City departments - REVENUE

Background:

Request for Proposals Received June 8, 2017 for S36-T25920 – Approve an ordinance awarding a professional services revenue contract to JPMorgan Chase Bank, N.A. for Merchant Credit Card Services for Various Departments.

Specific Explanation:

The Chief Business Officer/ Director of the Finance Department and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **three-year professional services revenue contract, with five one-year options**, to **JPMorgan Chase Bank, N.A.** for merchant credit card services for various departments. The Chief Procurement Officer or the Director of the Finance Department may terminate this contract at any time upon 30-days written notice to the contractor.

The scope of work requires the contractor to provide all labor, materials, equipment, and supervision required to provide merchant credit card services for electronic payment processing and gateway processing services. The merchant credit card services contract will provide both online and point-of-sales terminal payment capability to customers using credit or debit cards and e-checks, and will be used at various locations for the collection of revenue from the payment of permits, fees, fines, bond postings and specific services provided by the participating departments, which includes Administration and Regulatory Affairs, Finance, Fire, General Services, Health, Library, Houston Public Works, Municipal Courts, Planning and Development, Police and Solid Waste Departments, the Mayor's Office of Communications and HTV, and the Houston Airport System.

The Request for Proposal (RFP) was advertised in accordance with the State of Texas bid laws, and as a result, proposals were received from eleven firms: Bank of America Merchant Services, CityBase, Inc., Focus Merchant Services, JetPay Payments Services, JPMorgan Chase, N.A., JS Merchant Solution, Inc. Gila dba Municipal Services Bureau, Paymentus Corporation, TIO Network Corporation, Vantiv LLC, and Wells Fargo Merchant Services LLC. The Evaluation Committee consisted of evaluators from Administration and Regulatory Affairs, Municipal Courts, Finance, Houston Information Technology Services, Houston Public Works and the Houston Airport System Departments. The evaluation was based upon the following criteria.

1. Responsiveness of Proposal
2. Technical Competence
3. Price

JPMorgan Chase Bank N.A. received the highest overall score and was deemed the best qualified to perform the required services as outlined in the RFP.

The procurement timeline for contract award exceeded the standard timeframe due to several factors and time completion elements: (1) conducting the citywide augmentation and implementation assessment was an extensive process involving on-site equipment evaluations and system integration/ implementation analysis conducted by HITS assigned contractor, Virtuo Group, (2) developing a phased transition/ implementation plan with all associated costs relative to equipment deployment and system integrations to ensure a seamless process, and (3) negotiating a citywide revenue contract with multiple components required to transition from two providers to a single service provider to meet operational needs across city departments and generate the highest revenue for the City.

MWBE Participation:

Zero-Percentage Goal document approved by the Office of Business Opportunity.

Pay or Play Program:

The proposed contract requires compliance with the City's Pay or Play ordinance regarding health benefits for employees of City contractors. In this case, the contractor provides health benefits to eligible employees in compliance with City policy.

Hire Houston First:

The proposed contract requires compliance with the City's 'Hire Houston First' (HHF) ordinance that promotes opportunity for Houston businesses and supports job creation. In this case, JPMorgan Chase Bank, N.A. does not meet the requirements for HHF designation; no HHF firms were within three percent.

Fiscal Note:

There is no impact to the fiscal budget; therefore, no fiscal note is required.

10/2/2020

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Jerry Adams
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Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

Prior Council Action:

Amount of Funding:

No Funding Required (Revenue Contract)

Contact Information:

| NAME | DEPARTMENT/DIVISION | PHONE |
|--|---------------------|----------------|
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ATTACHMENTS:

| Description | Type |
|----------------------------------|-----------------------------|
| Agreement | Contract/Exhibit |
| Ordinance | Ordinance/Resolution/Motion |
| Goal Modification Request | Backup Material |
| Form A (Fair Campaign Ordinance) | Backup Material |
| Form B (Fair Campaign Ordinance) | Backup Material |
| Department Award Recommendation | Backup Material |
| Afidavit of Ownershi or Control | Backup Material |
| Delinquent Tax Report | Backup Material |
| Drug Forms | Backup Material |
| Pay or Play Forms | Backup Material |
| SAP Document | Backup Material |
| Form 1295 Changes | Backup Material |

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Department Approval Authority

10/6/2020

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MP