



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 6/14/2016

ALL

Item Creation Date: 5/26/2016

T25493 - Purchasing Card Services - ORDINANCE

Agenda Item#: 60.

Background:

Request for Proposal for S36-T25493: Approve an ordinance Awarding a Contract to JP Morgan Chase Bank, N.A. for Purchasing Card Services for the Strategic Procurement Division of the Finance Department.

Specific Explanation:

The Chief Procurement Officer recommends that City Council approve an ordinance awarding a **three-year contract, with two one-year options to JP Morgan Chase Bank, N.A.** for Purchasing Card Services for the Strategic Procurement Division of the Finance Department. The Chief Procurement Officer may terminate this contract at any time upon 30-days written notice to the contractor.

The scope of work requires the contractor to provide deliverables, labor, materials, and supervision required to implement the online web-based solution for the Purchasing Card Services Program. The deliverables include analysis, installation and data conversion, Pcard design and manufacturing, application testing, training, and a rebate/revenue sharing offering. The purpose of the purchasing card is to provide authorized employees with a mechanism for paying for material, equipment, supplies, and services within established purchasing limits. The solution will interface with SAP for data retention and reporting purposes. The Purchasing Card Services Program includes a Rebate/Revenue Sharing component, which allows the City to receive rebates based on annual charge volume. The current provider through the State of Texas Cooperative Purchasing Program offers a stand-alone contract with a rebate calculated at 1.34% basis points, while JP Morgan Chase offers a rebate of 1.66% basis points, which is a difference of 0.32%. This contract award to JP Morgan Chase will allow the City to realize a greater revenue savings and retain 100% of its earned rebate.

The Request for Proposal (RFP) was advertised in accordance with the State of Texas bid laws, and as a result, proposals were received from six (6) firms: Bank of America, N.A., Citibank, N.A., JP Morgan Chase Bank, N.A., Regions Bank, US Bank, Wells Fargo Bank, N.A. The evaluation committee consisted of evaluators from the Finance, Police, General Services Departments, the Department of Public Works and Engineering, and Houston Information Technology. The evaluation was based upon the following criteria:

1. Quality of Proposed Online Web-Based Technology Solution
2. Program Implementation
3. Proposed Rebate/Revenue Sharing Program
4. Qualifications, Expertise and Experience of Proposer
5. Qualifications of Key Personnel
6. Product Demonstration in Current Client Environment

JP Morgan Chase Bank, N.A. received the highest overall score and was deemed the best qualified to perform the requirements as outlined in the RFP.

Pay or Play Program:

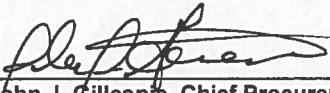
The proposed contract requires compliance with the City's Pay or Play ordinance regarding health benefits for employees of City contractors. In this case, the contractor provides health benefits to eligible employees in compliance with City policy.

Hire Houston First:

Hire Houston First does not apply to this procurement, because it is for professional services, which may not be subject to any local preference, per state law.

M/WBE Participation:

M/WBE Zero-percentage goal document approved by the Office of Business Opportunity.



 John J. Gillespie, Chief Procurement Officer
 Finance/Strategic Procurement Division

_____ Department Approval Authority Signature

Amount of Funding:

No Funding Required.

Contact Information:

NAME:	DEPARTMENT/DIVISION	PHONE
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ATTACHMENTS:

Description

Type

Form A - Fair Campaign Ordinance

Backup Material

Form B

Backup Material

Affidavit of Ownership or Control

Backup Material

M/WBE Goal Modification Request Form

Public Notice