

**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 10/25/2016

ALL

Item Creation Date: 8/30/2016

C73154-A4 Payment Processing Services - ORDINANCE

Agenda Item#: 19.

Summary:

AN ORDINANCE APPROVING AND AUTHORIZING A FOURTH AMENDMENT TO THE PAY CONNEXION SERVICE TERMS CONTRACT, AS AMENDED, BETWEEN THE CITY AND JPMORGAN CHASE BANK, N.A. TO PROVIDE FOR ADDITIONAL CREDIT CARD TRANSACTION SERVICES FOR THE HOUSTON PERMITTING CENTER AND THE HOUSTON AIRPORT SYSTEM; CONTAINING PROVISIONS RELATING TO THE SUBJECT; AND DECLARING AN EMERGENCY

Background:

Approve an Ordinance Authorizing a Fourth Amendment to the Payment Processing Services - Pay Connexion Service Terms Contract, as Amended, Between the City of Houston and JPMorgan Chase Bank, N.A., to Extend the Contract Term From January 27, 2017 to October 3, 2018, and to provide for Additional Credit Card Transaction Services for the Houston Permitting Center of the Department of Public Works and Engineering and the Houston Airport System.

Specific Explanation:

The Chief Business Officer/Director of Finance and the Chief Procurement Officer recommend that City Council approve an ordinance authorizing a fourth amendment to the contract between the City of Houston and JPMorgan Chase Bank, N.A. to amend the Pay Connexion service terms to transfer payment of transaction fees (assessed by the card association and credit processor) for online payment processing services from JPMorgan Chase Bank, N.A. to the Houston Permitting Department of the Department of Public Works and Engineering and the Houston Airport System.

The original contract was awarded by Council on January 7, 2009, by Ordinance No. 2009-010 for three (3) years, with five one-year options. Ordinance No. 2009-433, Passed 5/27/2009, amended the contract to allow for citywide participation, to provide flexibility in the convenience fee schedule to accommodate the range in transaction amounts for other City departments, and to increase the maximum transaction amount. Ordinance No. 2010-690, Passed 9/1/2010, amended the contract to transfer the transaction fees assessed by the card association and credit processor to JPMorgan Chase Bank, N.A. in exchange for increased card processing business with the City.

The contract provides for online and point-of-sale payment processing capability to all City departments. Also, the vendor is required to supply point-of-sales terminal devices at no cost to the City. Under the terms of the original contract, all costs for online and point-of-sales payment services are paid for via convenience fees added on to the cost of the permit and paid by the citizen utilizing the service. Convenience fees vary, based on the price of the permit, from \$2.00 for permits costing under \$50.00 to \$61.00 for permits ranging from \$2,000 to \$2,500.

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

Department Approval Authority Signature

Prior Council Action:

Ordinance No. 2009-010, 1/7/2009
Ordinance No. 2009-433, 5/27/2009
Ordinance No. 2010-690, 9/1/2010

Amount of Funding:

Revenue Contract

Contact Information:

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

Description

Ordinance No. 2009-10
Ordinance No. 2009-433
Ordinance No. 2010-690
Form A - Fair Campaign Ordinance
Form B
Delinquent Tax Report
Certificate of Insurance
Ordinance 10.11.16

Type

Backup Material
Backup Material
Backup Material
Backup Material
Backup Material
Backup Material
Backup Material
Signed Cover sheet