

AGENDA



Thursday, May 14, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 32**

Subject: Authorize award, negotiation, and execution of a 36-month requirements service contract with BANK OF AMERICA, Houston, TX for Visa and MasterCard processing services in an estimated amount not to exceed \$933,667, with three 12-month extension options in an estimated amount not to exceed \$388,163 per extension option, for a total estimated contract amount not to exceed \$2,098,156.

Amount and Source of Funding: Funding in the amount of \$103,740 is available in the Fiscal Year 2008–2009 Operating Budget of the Public Works and Transportation Department. Funding for the remaining 32 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Malinda Hortiski, Buyer II/974-2651

Purchasing Language: Best evaluated proposal of five proposals received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract will provide credit card processing services including the electronic authorization, capture, and electronic remittance of credit card transactions originating from the use of the Parkeon pay stations being installed in the City of Austin through a separate contract.

The contractor will provide a "flat fee" structure. The non-variable fee will be applied as a percentage to each transaction regardless of card type or the rate at which the transaction qualifies at interchange. An estimated 2,000,000 transactions will be processed annually through the use of 750 parking pay stations.

The parking pay stations will be implemented in phases. Installation of the first 500 machines will begin as early as August 15, 2009, with all in service by November 1, 2009. An additional 250 machines will be installed from January 1, 2010 through March 31, 2010.

A Request for Proposal (RFP) was issued March 30, 2009 with responses due April 16, 2009. Five proposals were received. An evaluation team consisting of four professional and managerial staff from the Financial and Administrative Services Department, Communication Technology Management Division, and the Transportation Department reviewed and scored the proposals. The panel members recommended Bank of America as the best proposer based upon the following evaluation categories: 1) Business Organization, 2) Credit Card Processing Service Program, 3) Project Management and Personnel, 4) Applicable Prior Experience, and 5) Cost. This firm has extensive experience and expertise in processing credit card transactions for several government entities.

MBE/WBE Solicited: 0/0

MBE/WBE Bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Ninety-four notices were sent. There are no known MBE/WBEs available for this service. Three proposals were received.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal received.
- b. The Purchasing Office concurs with the Transportation Department's recommended award.
- c. Advertised in the Austin American-Statesman and the Internet.