



REQUEST FOR PROPOSALS (RFP)
RFP 23-032
Merchant Banking Services

The City of League City is now accepting sealed proposals to provide merchant banking services. Sealed proposals must be received by **10:00 a.m., CST, Thursday, September 20, 2023**. (The clock located at the front desk in City Hall will be the official time.) Proposals received after this deadline will not be opened and will be considered void and unacceptable.

Proposals will be publicly opened in a manner that does not reveal their contents immediately following the due date and time at City of League City, City Hall, 300 West Walker Street League City, TX 77573. The contents of all proposals will remain confidential until after a contract has been awarded by City Council.

The RFP packet may be obtained from the City's website at:
<https://www.leaguecitytx.gov/bids.aspx>

All inquiries about this RFP must be submitted in writing to the Purchasing Department at via email: purchasing@leaguecitytx.gov.

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**City of League City
Request for Proposal 23-032
Merchant Banking Services**

I. Introduction

The City of League City is soliciting proposals from interested and qualified firms to provide merchant banking services. The City reserves the right to make a single award or multiple awards to accomplish all services outlined in this RFP.

A. Clarification and Interpretation of RFP

1. The words “must” or “will” or “shall” in this RFP indicate mandatory requirements. Taking exception to any mandatory requirement will be grounds for rejection of the proposal.
2. The City desires to avoid any misunderstanding where it is assumed that a feature is included in the proposal and turns out to be an optional, extra cost feature. As such, any question answered with an indication of compliance will be considered included at no additional cost. Any service that is referred to in the body of this response (does not pertain to attachments and brochures) will be considered included in the basic offer.

B. Purpose

The purpose of this RFP is to provide minimum requirements, solicit proposals, and gain adequate information from which the City may evaluate the proposer’s products and services as they compare to the other providers and as they pertain to the needs of the City’s organization as defined in this document.

C. Confidential or Proprietary Information

Throughout the process of evaluating proposals and negotiating a contract, all information contained in proposals shall be kept confidential. Upon Council award of contract or rejection of all proposals, contracting information, as defined by Texas Government Code 552 and in this document, shall be open for public inspection. This includes successful and unsuccessful proposals. Exceptions may be made if releasing the information would harm City interests by providing an advantage to a competitor or bidder in a future competitive situation, or if information requested contains trade secrets, or proprietary information.

Any information that the potential vendor or Proposer believes may be considered proprietary, confidential or a trade secret should be stamped with the term CONFIDENTIAL on that part of the proposal. All proposals and parts of proposals which are not marked as confidential will be automatically considered public information after the contract is awarded. If the vendor, contractor, potential vendor, or potential Proposer wishes to claim that information is proprietary, they must demonstrate based on specific factual evidence that disclosing the information would reveal an individual approach to work, organizational structure, staffing, internal operations, processes, or discounts, pricing methodology, cost data or other pricing information that will be used in future solicitation or bid documents; or give advantage to a competitor.

In the event that information contained in those sections marked confidential are

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included in an Open Records Request, the City will decline to release the information for the purpose of requesting an attorney general decision. The City will make a good faith effort to contact the vendor, so they may submit in writing to the attorney general the reasons why the information should be withheld or released. If the vendor cannot be contacted, the information may be released without further review. The process to be followed upon receipt of the request for information that potentially contains trade secrets, or proprietary or confidential information will be as follows:

1. City will make a good faith effort to notify the vendor in writing that the information has been requested within a reasonable time, but no more than ten (10) business days after receiving the request. This will include a copy of the written request for information, and a statement that the vendor is entitled to submit to the attorney general with ten (10) business days the reason(s) with the information should be withheld and a letter, memorandum, or brief in support of that reason.
2. The vendor who submits a letter, memorandum, or brief to the attorney general shall send a copy to the person who requested the information from the governmental body. If the letter, memorandum or brief contacts the substance of the information requested, the copy sent may be a redacted copy.
3. The attorney general shall promptly render a decision when requested, consistent with the standards of due process, determining whether the requested information requested contains trade secrets, or confidential or propriety information as defined in Texas Government code 552. The decision shall be rendered no later than the 45th business day after the date the attorney general received the request for a decision.

Contracting Information – information in a voucher or contract relating to the receipt of expenditure of public funds; solicitations or bid documents; communications sent between the City and a vendor, contractor, potential vendor or potential Proposer during solicitation, evaluation, or negotiation of a contract; documents, including bid tabulations, showing the criteria by which a government body evaluates each vendor; and communications and other information sent between City and a vendor or Proposer related to the performance of a final contract with City or work performed on behalf of City.

Trade Secrets – all forms and types of information including business, scientific, technical, economic, or engineering information and any formula, design, prototype, pattern, plan, compilation, program device, program, code, device, method, technique process, procedure, financial data, or list of actual or potential customers or suppliers, whether tangible or intangible and whether or however stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing if the owner of the trade secret has taken reasonable measures under the circumstances to the information secret and the information derives independent economic value, actual or potential, from not being generally known to and not being readily ascertainable through proper means by, another person who can obtain economic value from the disclosure of the information.

D. Background Information

League City is a home-rule, incorporated city with a 2020 population of approximately 109,087. The city encompasses approximately 52 square miles and is in the Houston metropolitan area. The city lies in northern Galveston County and southeast Harris County. League City is located approximately 26 miles southeast of downtown Houston and within 50 miles of Bush Intercontinental Airport. League City is experiencing rapid growth, adding approximately 3,000 residents a year. League City residents enjoy excellent schools, great parks, excellent public safety, recreational facilities, access to entertainment, and a unique heritage. The City is governed by a Council/Manager form of government and municipal services are provided by 584 full-time equivalents. The City Council is an elected body consisting of the Mayor and seven Council Members. The City Manager, John Baumgartner, is responsible for all functions of city government. The organization is divided into functional departments and divisions reporting to the City Manager, and two (2) Assistant City Managers. The City is a CDBG entitlement community that receives federal funding from the Department of Housing and Urban Development.

II. Instructions to Proposers**A. General**

This section outlines specific instructions for proposal submissions. Proposers not adhering to these instructions may be disqualified without further consideration. The City shall have the right to cancel any or all item(s) without obligation if delivery is not made on or before the time(s) specified.

1. At the public opening, there will be no disclosure of contents to competing firms, and all proposals will be kept confidential during the negotiation process. Except for trade secrets and confidential information which the firm identifies as proprietary, all proposals will be open for public inspection after the contract award. All proposals become the property of the City of League City. Proposers can attend in person at the address below:

City Hall
300 West Walker Street
League City, TX 77573

Receipt of Proposals and Sign-In Sheet will be uploaded to the City Website within 48 hours after proposal opening.

2. The City of League City requires comprehensive responses to every section within this RFP. Conciseness and clarity of content are emphasized and encouraged. Vague and general proposals will be considered non-responsive and will result in disqualifications. To facilitate the review of the responses, Firms shall follow the described proposal format. The intent of the proposal format requirements is to expedite review and evaluation. It is not the intent to constrain Vendors with regard to content, but to assure that the specific requirements set forth in this RFP are addressed in a uniform manner amenable to review and evaluation. Failure to arrange the proposal as requested may result in the disqualification of the proposal. It is requested that proposals be limited to no more than 25 pages, excluding cover page, resumes, sample documents and attachment A forms. Proposals shall have 1" margins and be single-sided, single spaced, using Times New Roman 12-point font. All pages of the proposal must be numbered, and the

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proposal must contain an organized, paginated table of contents corresponding to the sections and pages of the proposal. Preferred binding is paper clip, binder clip or three-ring binder.

B. Proposal Submission

The City will receive proposals electronically through Public Purchase or hard copies delivered to the Purchasing Department.

1. Public Purchase – Electronic Submission

Proposals can be received electronically through www.publicpurchase.com. Instructions for Public Purchase can be found on Attachment B. Please be advised it can take up to 24 hours for an account to become active with Public Purchase. If you need any assistance with the process, you can contact Public Purchase at support@publicpurchase.com.

2. Delivery or Mail – Hard Copies

Hard copy proposals can be submitted with one (1) marked original, one (1) marked copy and one (1) electronic copy (flash drive) properly labeled and clearly marked with the RFP number and description. Hard copies should be delivered to:

City of League City
Purchasing Department
City Hall
300 West Walker
League City, TX 77573
Monday – Thursday 7:30 am to 5:30 pm
Friday: 7:30 am to 12:00 pm

Proposals sent via courier must be sealed in a separate envelop inside of the mailer.

Mark envelope/package: 23-032 Merchant Banking Services

C. Proposal Timeline

The vendor/Proposer selection process will follow the timeline shown below. Estimated key milestone dates for the completion of the project are also included:

Request for Proposals Issued:	August 23, 2023
Deadline for Submitting Questions:	September 11, 2023, at 5:30 p.m.
Deadline for Q&A Addendum Upload	September 13, 2023, at 5:00 p.m.
Proposal Submission Deadline:	September 20, 2023, at 10:00 a.m.
Anticipated Contract Start Date:	November 1, 2023

III. Scope of Work
A. General

The City of League City intends to establish a contract for Merchant Banking Services for electronic data credit card and debit card payment services. Services must include point-of-sale transactions, phone and internet transactions, Tyler Enterprise ERP automatic credit card transactions, and electronic check payment conversion that integrate with the City's ERP system and other installed software.

B. Locations

1. Currently, seven (7) departments utilize this service. The City reserves the right to add/delete locations, as it deems necessary. No location changes shall be made without the consent of the City. Current locations are as follows:

Location	Use	Number of Readers
City Hall	Utility Billing	6
Public Safety Building	Alarm Fees, Record Fees	3
Building & Planning	Permits & Inspections	4
Municipal Court	Court Fines	5
Parks & Recreation	Fees	3 + Mobile Interface
Animal Control	Shelter Fees	1 + Mobile Interface
Library	Library Fines	1 + Mobile Interface

C. Equipment and Software

1. The City is using Ingenico iSC Touch 480 swipe card readers, Intel i7 Core Desktop Processors, and Cisco CP 8865 telephones to accept payments at various City locations.
2. The City is using the following software applications to allow customers to make payments using credit cards via internet, recurring credit card transactions, telephone, and point-of-sale transactions:
 - a. Enterprise ERP, powered by Munis Citizen Self Service with third-party processor Global Payments
 - b. Enterprise ERP, powered by Munis with third-party processor Global Payments
 - c. Tyler Cashiering Software integrated with Munis with third-party processor Global Payments
 - d. Incode Customer Self Service with third-party processor Global Payments

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- e. Incode with third-party processor Global Payments
- f. Vermont System’s RecTrac with third-party processor PayTrac
- g. Crywolf with third-party processor Fiserv
- h. ShelterLuv with third-party processor ShelterPay

3. The City is using the following software application to allow customers to make payments using Electronic Check Payments:
 - a. Enterprise ERP, powered by Munis Citizen Self Service with third-party processor Global Payments
 - b. Incode Customer Self Service with third-party processor Global Payments

D. Sales Volume

1. The City currently accepts MasterCard, Visa, Discover, and American Express. Annual volume and average ticket dollars are based on sales from the last twelve (12) months.
2. The City recently implemented electronic check payment services for the Utility Billing and Building departments. Sales volume listed below does not include the processed electronic check payments.

Department	Transactions	Sales Volume	Average Ticket	Sales Volume %
Utility Billing – Retail	28,009	\$ 3,526,037.99	\$ 125.89	11%
Utility Billing – Web	179,677	\$ 20,504,224.05	\$ 114.12	66%
Parks & Recreation – Retail	5,339	\$ 421,190.19	\$ 78.89	1%
Parks & Recreation – Web	4,386	\$ 472,172.14	\$ 107.65	2%
Municipal Court – Retail	2,683	\$ 520,455.99	\$ 193.98	2%
Municipal Court – Web	4,269	\$ 955,850.58	\$ 223.91	3%
Building Permits – Web	7,848	\$ 3,199,796.44	\$ 407.72	10%
General Gov’t Services – Retail	2,246	\$ 1,333,653.58	\$ 593.79	4%
EMS - Retail (third party)	682	\$ 110,959.51	\$ 162.70	0%
EMS - ECommerce (third party)	161	\$ 30,278.76	\$ 188.07	0%
Library - Retail	-	-	-	0%
Alarms Permit – Web	2,639	\$ 92,672.50	\$ 35.12	0%
Total	237,939	\$ 31,167,291.73		100%

E. General

1. The credit card services shall include at a minimum MasterCard, Visa, Discover, and American Express.
2. The proposer shall provide all necessary equipment and services for processing credit card and electronic check payments by an interactive voice response for telephone transactions, in-person point of sale transactions, and over-the-internet transactions through the following software:

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- a. Incode Customer Self Service Portal
- b. Tyler ERP Customer Self Service Portal
- c. Tyler ERP, powered by Munis
- d. Incode
- e. Energov
- f. Vermont System's RecTrac
- g. Crywolf Software
- h. ShelterLuv

The City reserves the right to add or remove software systems at any period during the contract term at no additional cost to the City.

- 3. Services to be provided include, but are not limited to, the following:
 - a. Software and internet applications must integrate with the City's Enterprise ERP System, ERP Customer Self Service, and provide solutions for other software including but not limited to Incode, Incode Self Service, ShelterLuv, Vermont Services (RecTrac), and CryWolf.
 - b. The systems (or programs) proposed must be able to authenticate the cardholder and use the current PCI compliance standards to authorize and capture the transaction and be compatible with any future technology required by the credit card industry.
 - c. The system proposed must be able to utilize electronic check conversion for internet payments through Enterprise ERP Customer Self Service and Incode Self Service.
 - d. The proposer must provide payment, settlement, voiding, and refunding services.
 - e. The proposer must be and remain for the length of the contract Cardholder Information Security Program (CISP), Payment Card Industry (PCI), and Data Security Standard (DSS) compliant.
 - f. The proposer must be able to process payments using multiple merchant ID's.
 - g. The proposer must be able to provide a backup web solution to process payments if the primary access is down.
 - h. The proposer must deposit gross payments in the City's designated bank account daily.
 - i. The proposer must provide online daily transaction history and account reconciliation reports with multiple sorting options to include but not be limited to reports separated by merchant id's, voids, credit card declines, type of payments, type of credit card, electronic check declines, etc.
 - j. The proposer must provide a software or internet-based point-of-sale system that will allow the City to run transaction reports during the business day without interrupting the ability of the point-of-sale system to process transactions.
 - k. All point-of-sale equipment required to process credit card payments.

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If an integrated solution for all software as mentioned above cannot be provided, please propose an alternate solution and the cost associated with the alternate solution.

F. Customer Service

1. External Customer Service

Proposer should provide the City's customers with the following:

- a. A confirmation number at the end of an approved telephone payment. If the payment is declined, provide a message that indicates the cause for the decline.
- b. A confirmation number for an approved internet payment. If the payment is decline, provide a message that indicates the cause for the decline.
- c. An email that is immediately sent to a customer for internet payments indicating whether his/her payment has been approved or declined. Cardholder information and date regarding the charge shall be included in the email for receipt purposes.

2. Internal Customer Service

- a. A breakdown of all convenience fees for reporting to customer.
- b. The ability to reprint a credit card receipt for all transactions.

G. Payment Terms

1. Customer payments need to be credited to the City's designated account daily.
2. Charges for services need to be billed to the City by the 5th calendar day of the following month.

H. Statements

1. Monthly statements must be available for download via the internet and/or received by the City of League City, Accounting Dept., 300 W. Walker St, League City, TX 77573, by the 5th calendar day of the following month.
2. Each City department or area should have an individual statement of activity and charges, and a statement that summarizes all transactions per merchant id.
3. A breakdown of all daily transactions are required to be available for download into a Microsoft Excel Spreadsheet from the proposer's site or portal in real time. At minimum, this should include the merchant ID, transaction date, amount, card number, card holder's name, and card holder's billing address.

I. Reservations

1. As stated in sections 132.002 and 132.003 of the Texas Local Government code (LGC), the City reserves the right to charge a processing or handling fee to its customers for the additional costs of accepting credit card payments. Successful proposer should be prepared to aid the City in establishing a convenience/service fee structure that is compliant with MasterCard, Visa, Discover, American Express, and Texas LGC requirements.
2. Currently, the city charges credit card convenience fees for transactions made with one (1) of the seven (7) departments who utilize this service. Proposers are required to have the ability to include convenience fees on some or all the transactions processed based on the merchant code and/or department code and as specified by the City.
3. The proposal should include cost for both a model where the fees are retained by the merchant processor and where the City receives the convenience fees and pays them to the merchant processor monthly.

J. Designated Merchant Card Personnel

1. Upon selection, the merchant card processor shall designate one account officer with authority and responsibility for the City's entire account. The designee shall be responsible for training and communicating the terms of this contract to all its employees.
2. The designated account officer shall have responsibility for ongoing review and oversight of the City's transactions. This includes but is not limited to:
 - a. Timely reporting of a decline or increase of transaction thresholds that directly affect the set rate/fee structure resulting in higher per transaction fees.
 - b. Recommending improvements related to City processes and methodology to positively impact the resultant electronic interchange reimbursement fees.
 - c. Timely notification of any abnormal fluctuations in transaction count or fees assessed.

K. Agreements

1. Include all required agreements and contracts regarding this RFP with your proposal, including MasterCard, Visa, Discover, and American Express, etc. It is the intent of the City to standardize the service/handling fees in each of the credit card agreements, if possible.

L. Notices

1. The successful firm shall notify the City in writing within ten (10) business days of any changes in Federal or State regulations that would thereafter affect the credit card services contract.
2. The merchant service provider shall also notify the City of new services that become available to the City throughout the contract period.

M. Operating Rules

1. Firm shall provide a copy of the Operating Rules relevant to the services requested herein, including but not limited to, authorizations, refunds, adjustments settlements, chargebacks, voids, and fees.

N. Pricing

1. Proposal shall specify the markup rate proposer charges in addition to the interchange rates (“interchange plus” model), along with any additional transaction fees.
2. Detailed pricing is requested for credit and debit card processing charges and electronic check conversion. The City prefers a simplified discount pricing structure. Proposals reflecting additional “billback” or “enhanced billback” fees may be subject to rejection without consideration.
3. The fees and charges presented shall remain firm for the original term of agreement with the following exceptions that shall be adjusted to reflect:
 - a. Additional discounts available for increased volume.
 - b. Increases or decreases in all applicable rates, fees and assessments established and levied by MasterCard, Visa, Discover, and American Express etc. against all merchant service providers.
 - c. Increases in applicable taxes levied by any State, Federal, or Local authority related to the delivery of the services provided by the merchant services provider.
4. Proposer will notify the City thirty (30) days prior to the effective date of any change of the non-guaranteed conditions, exclusions, or service fee increases or decreases.
5. All rates and fees must be listed and describe how and when the fees apply. The City will not be responsible for paying any fees not specifically listed.

IV. Proposal and Evaluation Format

Proposer's submission package shall consist of the following:

1. Completed Proposal Cover Sheet
2. Tab A – Qualifications and Experience
3. Tab B – Rates, Fees, and Expenses
4. Tab C – Project Design and Methodology
5. Tab D – Reporting Capabilities
6. Tab E – Integration Plan with the City's ERP System and Other City Software
7. Tab F – Proposed Contract Terms and Conditions
8. Tab G – Forms (Attachment A)
 - Public Information Act
 - Conflict of Interest Questionnaire

A. Proposal Format

By submission of a response to this RFP, proposer acknowledges full compliance with required specifications and all terms and conditions as detailed in the RFP.

1. TAB A – Qualifications and Experience
 - a) Briefly introduce your firm, providing a summary of the administration, organization, and staffing of your firm, including multiple offices, if applicable. Provide an organizational chart indicating the positions and names of the core management team which will undertake this engagement.
 - b) Identify everyone who will work as part of this engagement. Include resumes for each person to be assigned. Include any professional designations and affiliations, certifications, and licenses, etc.
 - c) Describe the experience of the firm in the last thirty-six (36) months in performing services in similar size and scope.
 - d) Provide a copy of latest audited Annual Financial Report.
 - e) Provide references for similarly successful projects from five (5) governmental agencies, including the name of the agency, contact name, telephone, and email address. At least two (2) of the references should be governmental agencies that use Enterprise ERP software and be identified as such.
2. TAB B – Rates, Fees, and Expenses
 - a) Provide a detailed fee schedule for discount fees and all other charges and expenses. Include any applicable gateway fees, set up fees, monthly account fees, transaction fees for processing, interchange fees, risk assessment fees, and fees for required reporting of all transactions. Specify all other fees and charges, included, but not limited to, implementation and conversion costs, chargebacks, voice, recorded, and offline authorizations, etc.
 - b) Specify differences in discount rates and fees for each type of card and each type of transaction, i.e.: debit vs. credit; point-of-sale terminal transaction vs. phone transaction vs. internet transaction.

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- c) Specify all applicable fees associated with electronic check conversion, including but not limited to set up fees, monthly access fees, per ACH transaction fees, ACH per item return fees.
- d) Fees not specifically listed will not be allowed.

3. TAB C – Project Design and Methodology

- a) Provide a detailed work plan for accomplishing the work and services to be provided to the City.
- b) Work plan must describe the firm's methodology, including a detailed project plan and time frames from the award date to implementation, including conversion, new customer training, account set up, testing, and support. Include any technology requirements.
- c) Work plan shall clearly distinguish the firm's duties and responsibilities and those of the City. Absence of this distinction shall mean the firm is assuming full responsibility for all tasks.
- d) If the successful firm provides a solution that differs from that currently in use by the City, specify the steps and procedures that will be put in place to ensure there is no interruption of service during the transition.
- e) Describe your help desk/customer service and other support functions, including, but not limited to the size of staff and expertise, hours of operation during regular office hours and after-hours support, response time for system, and equipment failures and inquiries.
- f) Describe the reconciliation and remediation procedures.
- g) Describe the firm's methodology to integrate with the City's ERP systems and other listed software including but not limited to Incode, Incode Self Service, ShelterLuv, Vermont Services (RecTrac), and CryWolf.

4. TAB D – Reporting Capabilities

- a) Retrieval and Chargebacks
 - i. Provide detailed description on how your company handles retrieval and charge-back requests.
 - ii. Specify your retrieval compliance timeframes.
 - iii. Specify how the City would be informed when a charge-back is posted.
- b) Reporting
 - i. The City requires that all transaction data be available online. Explain your reporting process.
 - ii. Describe the ways in which the reporting cycle can be customized.
 - iii. Describe all management and accounting reports.
 - iv. Provide samples of all customer account management reports.

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- v. Specify if the reports are available electronically and how they would be delivered (file format).
- vi. Specify if monthly statements are available online and by location/merchant id.

c) Monthly Statements

Provide a copy of your monthly statement with sample transactions. The statement(s) must provide the following by location and in total:

- i. Monthly summary showing total number of sales, amount of sales, total number of credits, amount of credits, net sales, and average sale price.
- ii. Daily transaction detail showing total number of sales, amount of sales and credits, and deposit for each day.
- iii. Merchant processor discount fee.
- iv. Other fees should be itemized according to the rate categories for MasterCard, Visa, Discover, and American Express.

d) Security and Disaster Recovery

Describe security measures and disaster recovery plan, including but not limited to the following:

- i. Outline the security measures in place for the protection of data transmitted for processing.
- ii. Describe security measures used to prevent unauthorized user access to either the system or data.
- iii. Describe your backup and/or redundant systems. Provide a backup web solution to take credit card payments.
- iv. Provide your disaster recovery plan should a catastrophic event occur.
- v. Describe your ability to assist the City with PCI Compliance issues.

5. Tab E –Integration Plan with the City’s ERP System and Other City Software

- a. Provide a detailed implementation plan for the merchant services to integrate with Enterprise ERP and Incode by posting in real time to the City’s customer’s accounts when payments are processed via the online customer self-service portals via Incode and Enterprise ERP.
- b. Provide a detailed implementation plan for point of sale, IVR, and telephone payments to process in the following software ERP systems:
 - i. Enterprise ERP
 - ii. Incode
 - iii. ShelterLuv

- iv. Vermont Services (RecTrac)
 - v. CryWolf
 - c. Provide a detailed implementation plan on merchant services will process weekly recurring credit cards initiated through Enterprise ERP.
 - d. Provide a detailed description of how merchant service will work with the City's ERP software company to ensure no service interruption and include a timeline if completion for implementation.
6. TAB F – Proposed Contract Terms and Conditions
- a. Provide all agreements and contracts that pertain to your proposal, including MasterCard, Visa, Discover and American Express etc. agreements.
7. TAB G – Forms (Attachment A)
- a. Completed City of League City Texas Public Information Act
 - b. If required, provide a completed copy of the Conflict-of-Interest Questionnaire (Form CIQ).

B. Proposal Evaluation Process

All proposals will be screened by an evaluation committee. The evaluation committee shall screen and rate all the responses that are submitted. Evaluation ratings will be on a 100-point scale and those proposers selected for a short list may be invited to attend an interview, at the proposer's own expense. Any invitation for an oral presentation will be solely for the purpose of clarifying proposals received from each qualifying proposer and will not represent any decision on the part of the evaluation committee as to the selection of a successful proposer.

The City's process is as follows:

1. City staff shall recommend an evaluation committee which will be used to evaluate all proposals. During the evaluation process, Proposers may be asked for additional information or clarification of proposal as needed. The City will evaluate all proposals based on the following criteria. The City will evaluate all proposals based on the following criteria:

Criteria	Points
Qualifications and Experience	20
Rates, Fees, and Expenses	20
Project Design and Methodology	25
Reporting Capabilities	10
Integration Plan with the City's ERP System & Other City Software	25
Select Finalist – Additional Points	30

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2. Pricing and fees will be evaluated based on the total cost. The formula used will be: lowest price/proposal being reviewed price * 20
3. Once proposals are scored, the evaluation team will select finalist and decide whether interviews should be conducted. Should interviews be conducted, each evaluation team member will award each finalist up to 30 points for their oral presentation and can amend proposal scores based on the interview.
4. Proposal and interview scores will be combined, and the highest overall proposal identified. City will then begin contract negotiations with that Proposer.
5. Should negotiations be unsuccessful, the City shall enter negotiations with the next, highest ranked vendor. The process shall continue until an agreement is reached with a qualified vendor.
6. This RFP does not commit the City to pay for any direct and/or indirect costs incurred in the preparation and presentation of a response. All finalist(s) shall pay their own costs incurred in preparing for, traveling to and attending interviews.
7. The City reserves the right to negotiate the final fee prior to recommending any Vendor for a contract.

The City reserves the right to use all pertinent information (also learned from sources other than disclosed in the RFP process) that might affect the City's judgement as the appropriateness of an award to the best evaluated proposer. The information maybe appended to proposal evaluation process results.

V. Contract Terms and Conditions**A. General**

This will be a three (3) year contract, with two (2) one-year renewal terms available upon the mutual agreement of the parties with no more than a 3% escalation factor per renewal. The annually renewable agreement is meant as an option for either party to exit the contractual obligation at its discretion. The City reserves the right to make a single or multiple awards, whichever are in the best value to the City to accomplish all services outlined in this proposal.

B. Indemnification

It is understood that any resulting contract executed will contain the following language:

It is further agreed that the firm (separately and collectively the "Indemnitee") shall indemnify, hold harmless, and defend the City, its officers, agents, and employees from and against any and all claims, losses, damages, causes of action, suits and liability of every kind, including all expenses of litigation, court costs, and attorney's fees, for injury to or death of any person or for damage to any property arising out of or in connection with the work done by the firm under this contract. Such indemnity shall apply regardless of whether the claims, losses, damages, causes of action, suits or liability arise in whole or in part from the negligence of the City, any other party indemnified hereunder, the Firm, or any third party.

C. Release

It is understood that any resulting contract executed will contain the following language:

The firm assumes full responsibility for the work to be performed hereunder and hereby releases, relinquishes, and discharges the City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person and any loss of or damage to any property that is caused by, alleged to be caused by, arising out of, or in connection with the firm's work to be performed hereunder.

This release shall apply regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance and regardless of whether such injury, death, loss, or damage was caused in whole or in part by insurance and regardless of whether such injury, death, loss or damage was caused in whole or in part by the negligence of the City, any other party released hereunder, the firm, or any third party.

TERMS AND CONDITIONS:

MULTIPLE CONTRACTORS: The City reserves the right to make a single award or multiple awards, whichever are in the best interest of the City.

DOCUMENTATION: Respondent shall provide with this response all documentation required by this RFP. Failure to provide this information may result in rejection of proposal.

QUANTITIES: The quantities indicated are estimated based upon the best available information. The City reserves the right to increase or decrease the quantities by any amount deemed necessary to meet its needs without any adjustments in the bid price.

TAX EXEMPTION: The City is not liable to respondent for any federal, state, or local taxes for which the City is not liable by law, including state and local sales and use taxes (Section 151.309 and Title 3, Texas Tax Code) and federal excise tax (Subtitle D of the Internal Revenue Code). Accordingly, those taxes may not be added to any item. The City's Tax Exemption Certificate will be furnished by the City on request of the respondent.

DISCUSSIONS: Formal or informal communication involving an oral or written exchange of information for the primary purpose of obtaining information essential for determining the acceptability of a proposal may occur. Any discussions of this nature are only intended to clarify the City's understanding of submissions.

EVALUATION PROCESS: It is the City's intent to enter into a contract with the Vendor that offers the "best value" for the desired project. After receipt of the proposals, City of League City will evaluate the proposals based upon the evaluation criteria set forth in the Request for Proposal. The City has, at its sole discretion, the ability to negotiate with the respondent determined to be the highest ranked after completion of the evaluations.

The City may elect to conduct discussions with the respondents deemed to be in the competitive range for award. If discussions are held, respondents identified in the competitive range will be given equal opportunity to discuss and submit revisions to their proposals. Revisions of proposals are accomplished by formally requesting Best and Final Offers (BAFOs) at the conclusion of discussions with a deadline set for receipt of BAFOs and including instructions as to exactly what should be submitted in response to the BAFO. After consideration of all BAFO responses, the City will select the top ranked respondent, and will enter into contract negotiations.

COSTS TO SUBMIT: The City of League City will not be liable for any costs incurred by any respondent in preparation of a submittal in response to this request, in conduct of a presentation, or any other activities related to the response of this RFP.

INSURANCE REQUIREMENTS: Proposer shall maintain, at his sole cost, at all times while performing work hereunder, the insurance and bond coverage set forth below with companies satisfactory to the Owner with full policy limits applying, but not less than stated. A certificate evidencing the required insurance and specifically citing the indemnification provision set forth in the Agreement shall be delivered to the Owner within fifteen (15) days that Notice to Proceed has been accepted by Contractor.

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- (1) Workman's Compensation Insurance as required by laws and regulations applicable to and covering employees of Contract engaged in the performance of the work under this agreement with a limit of not less than \$1,000,000.00;
- (2) Employers Liability Insurance protecting Proposer against common law liability, in the absence of statutory liability, for employee bodily injury arising out of the master-servant relationship with a limit of not less than \$100,000.00.
- (3) Comprehensive General Liability Insurance including products/completed operation with limits of liability of not less than: Bodily Injury \$1,000,000.00 per each person, \$1,000,000.00 per each occurrence/\$2,000,000.00 aggregate; Property Damage \$1,000,000.00 per each occurrence;
- (4) Excess Liability Insurance Comprehensive General Liability, Comprehensive Automobile Liability and coverages afforded by the policies above, with the minimum limits of \$5,000,000.00 excess of specified limits;

ADDENDA: Any interpretations, corrections or changes to this Request for Proposal and specifications will be made by addenda. Sole issuing authority of addenda shall be vested in the City of League City Purchasing Office. Any changes to specifications will be made in writing and posted on the City's website at: <https://www.leaguecitytx.gov/bids.aspx>. Respondents shall acknowledge receipt of all addenda on the Bidder Certification/Addenda Acknowledgement form found within this document.

LATE PROPOSALS: Proposals received by the City after the submission deadline will be considered void and unacceptable. City of League City is not responsible for lateness or non-delivery of mail, carrier, etc. The date/time stamp at the Purchasing Department's desk at City Hall, 300 West Walker Street, League City, Texas, 77573 shall be the official time of receipt.

ALTERING PROPOSALS: Proposals cannot be altered or amended after submission deadline. Any alterations or erasures made before opening time and must be initialed by the signer of the proposal, guaranteeing authenticity.

AWARD: The City has the right to award a contract upon the conditions, terms and specifications contained in a proposal submitted to the City for a period of up to ninety (90) days following the date specified for the opening of proposals.

Because the City is a governmental entity that must follow State and Federal laws and has an obligation to protect its taxpayers, the City requires that certain terms be included in the contract that result from this solicitation. Your response to this solicitation is an offer to contract with the City based on the terms, conditions, and specifications contained in this solicitation. If any of the mandatory contract terms are unacceptable to you, please do not respond to this solicitation.

CONFLICTING PROVISIONS: The contract consists only of the City prepared contract and any additional City or respondent contract documents incorporated by reference as a part of the contract. If a conflict or inconsistency exists between the City prepared contract and a document incorporated by reference, the City prepared contract controls. If a conflict or inconsistency exists between an additional contract document incorporated by reference, the City's additional contract document takes precedence over the respondent's additional contract document.

PAYMENT PROVISIONS: The City's payments under the contract, including the time of payment and the payment of interest on overdue amounts, are subject to Chapter 2251, Texas Government Code.

LIABILITY AND INDEMNITY: Any provision of the contract is void and unenforceable if it: (1) limits or releases either party from liability that would exist by law in the absence of the provision; (2) creates liability for either party that would not exist by law in the absence of the provision; or (3) waives or limits either party's rights, defenses, remedies, or immunities that would exist by law in the absence of the provision. (Section 5, Article XI, Texas Constitution).

CONFIDENTIALITY: Any provision in the contract that attempts to prevent the City's disclosure of information subject to public disclosure under federal or Texas law or regulation, or court or administrative decision or ruling, is invalid. (Chapter 552, Texas Government Code).

CONTRACTUAL LIMITATIONS PERIOD: Any provision of the contract that establishes a limitations period that does not run against the City by law or that is shorter than two (2) years is void. (Sections 16.061 and 16.070, Texas Civil Practice and Remedies Code).

GOVERNING LAW AND VENUE: Texas law governs this contract and any lawsuit on this contract must be filed in a court that has jurisdiction in Galveston County, Texas.

CONFLICT OF INTEREST: No public official shall have interest in this contract accept in accordance with Vernon's Texas Codes Annotated, Local Government Code Title 5, Subtitle C, Chapter 171.

ETHICS: The respondent shall not offer or accept gifts or anything of value or enter into any business arrangement with any employee, official or agent of City of League City. More than one proposal on any one contract from a respondent or individual under different names shall be grounds for rejection of all proposals in which the respondent or individual has an interest. One or all proposals will be rejected if there is any reason to believe that collusion exists between respondents. Respondents must make every effort to comply Chapter 176 of the Texas Local Government Code. Chapter 176 mandates the public disclosure of certain information concerning persons doing business or seeking to do business with the City of League City, including affiliations and business and financial relationships such persons may have with City of League City officers. By doing business or seeking to do business with the City of League City, including submitting a response to this Request for Proposals, you acknowledge that you have been notified of the requirements of Chapter 176 of the Texas Local Government Code and you are representing that you are in compliance with them.

Conflict of Interest Questionnaire found within this document must be completed and turned in with each proposal.

PURCHASE ORDER: City of League City may generate a purchase order to the successful respondent. The purchase order number must appear on all invoices, packing lists and all related correspondence. City of League City will not be responsible for any orders placed and/or delivered without a valid purchase order number.

DELIVERY: Any delivery and freight charges (FOB City of League City designated location) are to be included in the proposal price.

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INVOICES: Invoices must be itemized, and purchase order number must be referenced on original invoice. Any invoice, which cannot be verified by the contract price and/or is otherwise incorrect, will be returned to the proposer for correction. Invoices submitted for payment shall be e-mailed to: City of League City, Accounts Payable at, accountspayable@leaguecitytx.gov. Invoices can be mailed to Attn: Accounts Payable, to the address: 300 W. Walker St., League City, TX 77573. Periodic payments will be made within thirty (30) days of invoice date or satisfactory delivery of the product or service, whichever is later, provided that all other requirements as detailed in the contract have been fulfilled.

WARRANTY: Successful respondent shall warrant that all items or services shall conform to the proposed specifications and all warranties as stated in the Uniform Commercial Code and be free from all defects in material, workmanship and title.

PATENTS/COPYRIGHTS: The successful respondent agrees to protect City of League City from claims involving infringements of patents and/or copyrights.

TERMINATION OF CONTRACT: The City of League City reserves the right to terminate the contract immediately in the event the successful respondent:

1. Fails to complete project in a timely manner agreed upon by both parties;
2. Otherwise fails to perform in accordance with this contract;
3. Becomes insolvent and/or files for protection under bankruptcy laws.

Such termination is in addition to and not in lieu of any other remedies that City of League City may have in law or equity. Respondent, in submitting this proposal, agrees that City of League City shall not be liable to prosecution for damages in the event that the City declares the respondent in default.

TERMINATION FOR CONVENIENCE: The contract may be terminated, without penalty, by either party by providing thirty (30) days' written notice to the other party.

NOTICE: Any notice provided by this RFP or required by law to be given to the successful respondent by City of League City shall be deemed to have been given and received on the next business day after such written notice has been deposited in the U. S. mail in League City, Texas, by Registered or Certified Mail with sufficient postage affixed thereto, addressed to the successful respondent at the address so provided; provided this shall not prevent the giving of actual notice in any other manner.

ASSIGNMENT: The successful respondent shall not sell, assign, transfer or convey this contract, in whole or in part, without the prior written consent of City of League City.

INTERLOCAL AGREEMENT: Chapter 791, Texas Government Code and Chapter 271, Subchapter F, Texas Local Government Code, authorizes cities to enter into Interlocal purchasing agreements to take advantage of potential cost savings resulting from cooperative purchasing efforts. Successful contractor(s) agree(s) to extend prices and terms to all entities, who have entered into or will enter into joint Purchasing Interlocal Cooperation Agreements with the City of League City.

CONTINGENCIES: Before submitting their bid, Proposers should make a careful examination of the scope of work and of the difficulties involved in its proper execution. Proposers should include in their proposal all costs they deem proper and sufficient to cover all contingencies

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essential to the completion of the compensation and classification study, notwithstanding that every item or contingency is not specifically mentioned herein.

CERTIFICATE OF INTERESTED PARTIES: Applies to all contracts that must be approved by the City Council. In accordance with House Bill 1295, for certain contracts entered into on or after January 1, 2016, the successful proposer must submit a ***Certificate of Interested Parties (Form 1295)*** at the time the signed contract is submitted to the City. This applies to any contract of any amount that must be approved by the City Council. Form 1295 must be filed electronically with the Texas Ethics Commission using the online filing application located at: <https://www.ethics.state.tx.us/File/>

Prohibition on Contracts with Companies Boycotting Israel: Beginning September 1, 2017, state law prohibits governmental entities from contracting with companies who boycott Israel, and requiring contract terms that state that the vendor does not boycott Israel and will not boycott Israel during the term of the contract. The Texas State Comptroller maintains a list of companies that boycott Israel. Inclusion on this list will prevent the City of League City from entering into a contract with the contractor. Below is a link to the list. <https://comptroller.texas.gov/purchasing/publications/divestment.php>

Prohibition on Contracts with Certain Entities: Beginning September 1, 2017, a municipality may not enter into a contract with a company that does business with Iran, Sudan, or known terrorist organizations, and contracts must contain language to that effect. The Texas Comptroller maintains a list of companies known to do business with Iran, Sudan or known terrorist organizations. Inclusion on this list will prevent the City of League City from entering into a contract with that vendor. Below is a link to the list. <https://comptroller.texas.gov/purchasing/publications/divestment.php>

Prohibition on Contracts with Companies Boycotting Oil Companies: Beginning September 1, 2021, state law prohibits governmental entities from contracting with companies who boycott oil companies and requiring contract terms that state that the vendor does not boycott oil companies and will not boycott oil companies during the term of the contract.

Prohibition on Contracts with Companies that Discriminate Against Firearm and Ammunition Industries: Beginning September 1, 2021, state law prohibits governmental entities from contracting with companies that discriminate against firearms and ammunition industries and requiring contract terms that state that the vendor does not discriminate against firearms and ammunition industries and will not discriminate against ammunition industries during the term of the contract.