

**Meeting Date** (?) 10/11/2016

**Subject Matter**\* (?) Merchant Services Agreement  
This must match rolling agenda entry

**Department of Origin**\* FINANCE

**Submitted By**\* Will Smith

**Type of Meeting**\*  BCD  Special  Regular

**Classification**\*  Public Hearing  Consent  Statutory  Regular

**Ordinance**\*  None  First Read  Second Read  First & Only Read

**Strategic Initiative**\*  Public Safety  Service  
 Economic Development  Infrastructure  
 Quality of Life

**Agenda Item Description**\* Consider approval of an agreement by and between the City of Bryan, Texas and BB&T Financials to provide comprehensive merchant card services including credit verification, point-of-sale transactions, and phone and internet transactions to the City of Bryan for a not to exceed contract amount of \$165,000 for the initial three (3) year term. The term of the contract will be three (3) years with possible extensions of a maximum of two (2) additional one (1) year extensions. This contract will run from November 1, 2016, through October 31, 2019.

**Summary Statement**\* On August 1, 2016, the City of Bryan and Bryan Texas Utilities (BTU) issued a Request for Proposals (RFP) for "Merchant Card Services and Electronic Check Processing (ACH Services)." The selected company will provide processing services for all (excluding Parks & Rec, Coulter Airfield, and the Golf Course) City and BTU credit card transactions; however, BTU and the City will have separate contracts.

The City of Bryan and BTU received four (4) responses to the RFP. Responses were received from the following firms:

1. BB&T
2. JPMorgan Chase Bank
3. nCourt
4. Paymentus

Staff members from both the City and BTU reviewed all responses and ranked them based on the proposals and six (6) criteria: qualifications and experience, rates and expenses, methodology including technical approach and understanding of the scope of the project, responses to the questionnaire, standard and customizable reporting and references. Below is a chart showing the average ranking given by both City and BTU staff members.

Average Ranking

1. BB&T: 81%
2. JPMorgan Chase: 71%
3. nCourt: Did not meet minimum requirements
4. Paymentus: Did not meet minimum requirements

The City of Bryan has paid the current merchant services vendor, PPI, the following over the last three (3) fiscal years for this service:

- FY 2014: \$31,917
- FY 2015: \$31,082
- FY 2016: \$44,072

Note: The areas being excluded (Parks & Rec, Coulter Airfield, and the Golf Course) for this service have point-of-sale systems that include the merchant card processing services.

**Staff Analysis & Recommendation\***

Based on the extensive evaluation of the responses to the RFP as well as reference checks performed on the qualified bidders, staff believes that BB&T provides the best value to the City of Bryan for merchant card services.

BB&T was the highest ranked firm among the responders. BB&T's conversion time frame is significantly shorter and provides the best fee structure of the qualified respondents. Staff recommends the selection of BB&T as the firm of choice to provide merchant card services and electronic check processing for the City.

BB&T also currently services the City's depository accounts.

**Options\***

(In Suggested Order of Staff Preference)

1. Approve the contract with BB&T
2. Do not approve the contract and redirect staff.

**Funding Source\***

Various Departments FY 17 Adopted Budget for merchant card services (as budgeted)

**Attachments**

BB&T Merchant Agreement City of Bryan.docx 101.66KB

Please detail attachments and note attachments available for viewing in City Secretary's Office:

1. BB&T Merchant Agreement City of Bryan
2. RFP 16-056 and responses are available for viewing in the City Secretary's Office

**Dept. Head Signature**

*JOE HEGWOOD*

**Deputy City Manager Signature**

*Hugh R. Walker*

**City Manager Signature**

*Hugh R. Walker*

**City Attorney Signature**

*Tanis K. Hampton*