

**CITY OF MARYSVILLE AGENDA BILL**

**EXECUTIVE SUMMARY FOR ACTION**

**CITY COUNCIL MEETING DATE: December 12, 2016**

AGENDA ITEM: Professional Services Agreement with Billing Document Specialists (Subsidiary of Valli Information Systems) (“BDS”).	
PREPARED BY: John Nield, Financial Operations Manager	DIRECTOR APPROVAL:
DEPARTMENT: Utility Billing	
ATTACHMENTS: 1. Comparison of the Proposals 2. Professional Services Agreement 3. Request for Proposal	
BUDGET CODE: 00143523.541000 100%	AMOUNT: 204,000

**SUMMARY:**

Staff is requesting authorization to enter into a Sixty Month Professional Services Agreement with Valli Information Systems’ subsidiary Billing Document Specialists (BDS) to provide Online Bill Services and Customer Payment Services for the City of Marysville Utility Customers.

The City did a Request for Proposal in which 13 providers were contacted who provided online bill presentation and may offer payment services.

Of the 13 providers, the City received 5 responses to the RFP in which companies submitted proposals. A summary of the 5 providers and the expected costs associated with each is included.

BDS will provide customers the ability to view their bills online, create an account to pay their bill and offers a variety of payment options. BDS offer combined services of bill viewing online and for payments done online or over the phone, at a lower rate than our current provider. Because BDS offers both services, having one point of contact is critical to resolving issues, taking care of emergencies and coordination of changes, with ease of testing. Communication is not dependant of two different providers if using bill viewing online services with one provider and another provider for bill payment services.

BDS provides services to multiple companies throughout the United States from as far away as Florida and Georgia to Bonney Lake in Washington State.

Based on estimated Activity Annualized, the yearly cost of using BDS services is \$204,000.00, the current provider’s yearly cost estimate for the same service is \$216,000.00, a savings to the City of \$12,000 per year.

<b>RECOMMENDED ACTION:</b> Staff recommends that Council Authorize the Mayor to sign the Professional Services Agreement between the City of Marysville and Valli Information Systems subsidiary Billing Documents Specialist.
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Online Bill Presentation and Payment Vendors Vendors:

Costs / Invoice Sample	Vendors			
	PAYMENTUS	BDS	TYLER TECHNOLOGIES	MYONLINE BILL INVOICE CLOUD
Total Software Costs	0.00	10.00	0.00	850.00
<b>Total Cost of Service</b>	<b>7,986.15</b>	<b>1,370.00</b>	<b>0.00</b>	<b>1,543.10</b>
<b>Total Cost of Notifications</b>	<b>3,448.000</b>	<b>6,560.000</b>	<b>0.000</b>	<b>1,870.000</b>
<b>Total Cost of Payment Processing</b>	<b>6,588.00</b>	<b>8,536.27</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Cost of Annual Fees</b>	<b>0.00</b>	<b>0.00</b>	<b>24,160.00</b>	<b>0.00</b>
<b>Total Cost One Time Fee</b>	<b>0.00</b>	<b>850.00</b>	<b>55,200.00</b>	<b>18,000.00</b>
Estimated Monthly Bill	18,022.15	16,476.27	0.00	4,263.10
<b>Total Fees on a Monthly Basis</b>	<b>0.00</b>	<b>14.17</b>	<b>2,933.33</b>	<b>300.00</b>
Monthly Fees estimated for needed services				
<b>Total Monthly Estimated Fees</b>	<b>0.00</b>	<b>0.00</b>	<b>18,500.00</b>	<b>16,000.00</b>
<b>Total Monthly Bill when all Fees are added</b>	<b>18,022.15</b>	<b>16,490.44</b>	<b>21,433.33</b>	<b>20,563.10</b>

**PROFESSIONAL SERVICES AGREEMENT BETWEEN  
CITY OF MARYSVILLE  
AND BILLING DOCUMENT SPECIALISTS FOR ONLINE BILL  
PRESENTMENT AND FOR ONLINE AND PHONE PAYMENT  
PROVIDER**

**THIS AGREEMENT** (“Agreement”) is made and entered into this 13 day of December, 2016, by and between the City of Marysville, a Washington State municipal corporation (“City”), and Billing Document Specialists, a division of Valli Information Systems, an Idaho Privately Held Corporation, organized under the laws of the state of Idaho, located and doing business at 915 Main Street, Suite 1000 Caldwell, ID 83605 (“Consultant”).

In consideration of the terms, conditions, covenants, and performances contained herein, the parties hereto agree as follows:

- 1. SCOPE OF SERVICES.** The Consultant shall provide the work and services described in the attached Exhibit A, incorporated herein by this reference (the “Services”). All services and materials necessary to accomplish the tasks outlined in the Scope of Services shall be provided by the Consultant unless noted otherwise in the Scope of Services or this Agreement. All such services shall be provided in accordance with the standards of the Consultant’s profession.
- 2. TERM.** The term of this Agreement shall commence on March 1, 2017 and shall terminate at midnight on February 28, 2022. The parties may extend the term of this Agreement by executing a written supplemental amendment.
- 3. COMPENSATION.** The Consultant shall be paid by the City for Services rendered under this Agreement as described in Exhibit A and as provided in this section. In no event shall the compensation paid to Consultant under this Agreement exceed [Project Amount i.e. Twenty-Five Thousand Dollars] (**[\$Enter Amount]**) within the term of the Agreement, including extensions, without the written agreement of the Consultant and the City. Such payment shall be full compensation for the Services and for all labor, materials, supplies, equipment, incidentals, and any other expenses necessary for completion.

The Consultant shall submit a monthly invoice to the City for Services performed in the previous calendar month in a format acceptable to the City. The Consultant shall maintain time and expense records and provide them to the City upon request.

The City will pay timely submitted and approved invoices received before the 20th of each month within thirty (30) days of receipt.

#### **4. CONSULTANT'S OBLIGATIONS.**

**4.1 MINOR CHANGES IN SCOPE.** The Consultant agrees to accept minor changes, amendments, or revisions to the scope of the Services, as may be required by the City, when such changes, amendments, or revisions will not have any impact on the cost of the Services or the proposed delivery schedule.

**4.2 ADDITIONAL WORK.** The City may desire to have the Consultant perform additional work or services which are not identified in the scope of the Services. If the parties agree to the performance of additional work or services, the parties will execute a written supplemental amendment detailing the additional work or services and compensation therefore. In no event will the Consultant be compensated for preparing proposals for additional work or services. In no event shall the Consultant begin work contemplated under a supplemental amendment until the supplemental amendment is fully executed by the parties.

**4.3 WORK PRODUCT AND DOCUMENTS.** The work product and all documents produced under this Agreement shall be furnished by the Consultant to the City, and upon completion of the Services shall become the property of the City, except that the Consultant may retain one copy of the work product and documents for its records. The Consultant will be responsible for the accuracy of the Services, the work product, and all documents produced under this Agreement, even though the Services have been accepted by the City.

In the event that the Consultant defaults on this Agreement or in the event that this Agreement is terminated prior to the completion of the Services or the time for completion, all work product and all documents and other materials produced under this Agreement, along with a summary of work as of the date of default or termination, shall become the property of the City. The summary of Services provided shall be prepared at no additional cost to the City. Upon request, the Consultant shall tender the work product, all documents, and the summary to the City within five (5) business days. Tender of said work product shall be a prerequisite to final payment under this Agreement.

The Consultant will not be held liable for reuse of work product or documents produced under this Agreement or modification of the work product or documents for any purpose other than those identified in this Agreement without the written authorization of the Consultant.

**4.4 PUBLIC RECORDS ACT.** Consultant acknowledges that the City is subject to the Public Records Act, chapter 42.56 RCW (the "PRA"). All records owned, used, or retained by the City are public records subject to disclosure unless exempt under the PRA, whether or not the records are in the possession or control of the City or Consultant. All exemptions to the PRA are narrowly construed.

a. **Confidential Information.** Any records provided to the City by the Consultant which contain information that the Consultant in good faith believes is not

subject to disclosure under the PRA shall be marked “Confidential” and shall identify the specific information that the Consultant in good faith believes is not subject to disclosure under the PRA and a citation to the statutory basis for non-disclosure.

b. **Responding to Public Records Requests.** The City shall exercise its sole legal judgment in responding to public records requests.

- (1) The City may rely upon the lack of notification from the Consultant in releasing any records that are not marked “Confidential.”
- (2) If records identified as “Confidential” by the Consultant are responsive to a PRA request, the City will seek to provide notice to Consultant at least ten (10) business days before the date on which the City anticipates releasing records. The City is under no obligation to assert any applicable exemption on behalf of the Consultant. The Consultant may seek, at its sole cost, an injunction preventing the release of information which it believes is protected. In no event will the City have any liability to Consultant for any failure of the City to provide notice prior to release.
- (3) If the City, in its sole legal judgment, believes that the Consultant possesses records that (1) are responsive to a PRA request and (2) were used by the City, the City will request the records from the Consultant. The Consultant will, within ten (10) business days:
  - i. Provide the records to the City in the manner requested by the City;
  - ii. Obtain a court injunction, in a lawsuit involving the requester, covering all, or any confidential portion of, the records and provide any records not subject to the court injunction; or
  - iii. Provide an affidavit, in a form acceptable to the City Attorney, specifying that the Consultant has made a diligent search and did not locate any requested documents.

c. **Indemnification.** In addition to its other indemnification and defense obligations under this Agreement, the Consultant shall indemnify and defend the City from and against any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorneys fees and litigation expenses), suits, judgments, or damages (collectively “Damages”) arising from or relating to any request for records related to this Agreement, to the extent such Damages are caused by action or inaction of the Consultant. This indemnification and defense obligation shall survive the expiration or termination of this Agreement.

**4.5 MAINTENANCE/INSPECTION OF RECORDS.** The Consultant shall maintain all books, records, documents, and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All

such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Consultant shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts, and records where necessary to conduct or document an audit. The Consultant shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Consultant shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

#### **4.6 INDEMNITY.**

a. **Indemnification and Hold Harmless.** The Consultant shall defend, indemnify, and hold the City, its officers, officials, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits including attorney fees, arising out of or resulting from the acts, errors, or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

b. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence.

c. The provisions of this Section 4.6 shall survive the expiration or termination of this Agreement.

d. The Consultant hereby knowingly, intentionally, and voluntarily waives the immunity of the Industrial Insurance Act, Title 51 RCW, solely for the purposes of the indemnity contained in subpart "a" of this Section 4.6. This waiver has been mutually negotiated by the parties.

\_\_\_\_\_(initials) \_\_\_\_\_(initials)

#### **4.7 INSURANCE.**

a. **Insurance Term.** The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the Services hereunder by the Consultant, its agents, representatives, or employees.

b. **No Limitation.** Consultant's maintenance of insurance as required by the Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available

at law or in equity.

c. **Minimum Scope of Insurance.** Consultant shall obtain insurance of the types and coverage described below:

- (1) Automobile Liability insurance covering all owned, non-owned, hired, and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage.
- (2) Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop-gap independent contractors and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the Services performed for the City using an additional insured endorsement at least as broad as ISO CG 20 26.
- (3) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
- (4) Professional Liability insurance appropriate to the Consultant's profession.

d. **Minimum Amounts of Insurance.** Consultant shall maintain the following insurance limits:

- (1) Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
- (2) Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
- (3) Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

e. **Other Insurance Provision.** The Consultant's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any Insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

f. **Acceptability of Insurers.** Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

g. **Verification of Coverage.** The Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance

requirements of the Consultant before commencement of the Services.

h. **Notice of Cancellation.** The Consultant shall provide the City with written notice of any policy cancellation within two business days of the Consultant's receipt of such notice.

i. **Failure to Maintain Insurance.** Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five (5) business days notice to the Consultant to correct the breach, immediately terminate the Agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

j. **Insurance to be Occurrence Basis.** Unless approved by the City all insurance policies shall be written on an "Occurrence" policy as opposed to a "Claims-made" policy. The City may require an extended reporting endorsement on any approved "Claims-made" policy.

k. **City Full Availability of Consultant Limits.** If the Consultant maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Consultant, irrespective of whether such limits maintained by the Consultant are greater than those required by this Agreement or whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Consultant.

**4.8 LEGAL RELATIONS.** The Consultant shall comply with all federal, state, and local laws, regulations, and ordinances applicable to the Services to be performed under this Agreement. The Consultant represents that it and all employees assigned to perform any of the Services under this Agreement are in full compliance with the statutes of the State of Washington governing the Services and that all personnel to be assigned to the Services are fully qualified and properly licensed to perform the work to which they will be assigned.

**4.9 INDEPENDENT CONTRACTOR.**

a. The Consultant and the City understand and expressly agree that the Consultant is an independent contractor in the performance of each and every part of this Agreement. The Consultant expressly represents, warrants, and agrees that the Consultant's status as an independent contractor in the performance of the Services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195 or as hereafter amended. The Consultant, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the Services required under this Agreement. The Consultant shall not make



a claim of City employment and shall not claim any related employment benefits, social security, and/or retirement benefits.

b. The Consultant shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Consultant shall pay the same before it becomes due.

c. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work to the Services that the Consultant performs under this Agreement.

d. Prior to commencement of Services, the Consultant shall obtain a business license from the City.

#### **4.10 EMPLOYMENT.**

a. The term “employee” or “employees” as used herein shall mean any officers, agents, or employee of the Consultant.

b. Any and all employees of the Consultant, while performing any Services under this Agreement, shall be considered employees of the Consultant only and not of the City. The Consultant shall be solely liable for: (1) and any and all claims that may or might arise under the Workman’s Compensation Act, Title 51 RCW, on behalf of any said employees while performing any Services under this Agreement, and (2) any and all claims made by any third party as a consequence of any negligent act or omission on the part of the Consultant or its employees while performing any Services under this Agreement.

c. The Consultant represents, unless otherwise indicated below, that all employees of the Consultant that will perform any Services under this Agreement have never been retired from a Washington State retirement system, including but not limited to Teacher (TRS), School District (SERS), Public Employee (PERS), Public Safety (PSERS), law enforcement and fire fighters (LEOFF), Washington State Patrol (WSPRS), Judicial Retirement System (JRS), or otherwise. *(Please use initials to indicate No or Yes below.)*

\_\_\_\_\_ No, employees performing the Services have never been retired from a Washington state retirement system.

\_\_\_\_\_ Yes, employees performing the Services have been retired from a Washington state retirement system.

In the event the Consultant checks “no”, but an employee in fact was a retiree of a Washington State retirement system, and because of the misrepresentation the City is required to defend a claim by the Washington State retirement system, or to make contributions for or on account of the employee, or reimbursement to the Washington State retirement system for benefits paid, the Consultant hereby agrees to save, indemnify, defend and hold the City harmless from and against all expenses and costs, including reasonable attorney fees incurred in defending the claim of the Washington State retirement system and from all contributions paid or required to be paid, and for all reimbursement required to the Washington State retirement system. In the event the Consultant checks “yes” and affirms that an employee providing work has ever retired from a Washington State retirement system, every said employee shall be identified by the Consultant and such retirees shall provide the City with all information required by the City to report the employment with Consultant to the Department of Retirement Services of the State of Washington.

**4.11 NONASSIGNABLE.** Except as provided in Exhibit B, the Services to be provided by the Consultant shall not be assigned or subcontracted without the express written consent of the City.

**4.12 SUBCONTRACTORS AND SUBCONSULTANTS.**

a. The Consultant is responsible for all work or services performed by subcontractors or subconsultants pursuant to the terms of this Agreement.

b. The Consultant must verify that any subcontractors or subconsultants the Consultant directly hires meet the responsibility criteria for the Services. Verification that a subcontractor or subconsultant has proper license and bonding, if required by statute, must be included in the verification process. If the parties anticipate the use of subcontractors or subconsultants, the subcontractors or subconsultants are set forth in Exhibit B.

c. The Consultant may not substitute or add subcontractors or subconsultants without the written approval of the City.

d. All subcontractors or subconsultants shall have the same insurance coverage and limits as set forth in this Agreement and the Consultant shall provide verification of said insurance coverage.

**4.13 CONFLICTS OF INTEREST.** The Consultant agrees to and shall notify the City of any potential conflicts of interest in Consultant’s client base and shall obtain written permission from the City prior to providing services to third parties when a conflict or potential conflict of interest exists. If the City determines in its sole discretion that a conflict is irreconcilable, the City reserves the right to terminate this Agreement.

**4.14 CITY CONFIDENCES.** The Consultant agrees to and will keep in strict confidence, and will not disclose, communicate, or advertise to third parties without specific prior written consent from the City in each instance, the confidences of the City or any information regarding the City or the Services provided to the City.

**4.15 DISCRIMINATION PROHIBITED AND COMPLIANCE WITH EQUAL OPPORTUNITY LEGISLATION.** The Consultant agrees to comply with equal opportunity employment and not to discriminate against any client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, sexual orientation, age, or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training; or rendition of services. The Consultant further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth its nondiscrimination obligations. The Consultant understands and agrees that if it violates this nondiscrimination provision, this Agreement may be terminated by the City, and further that the Consultant will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that discriminatory practices have been terminated and that recurrence of such action is unlikely.

**4.16 UNFAIR EMPLOYMENT PRACTICES.** During the performance of this Agreement, the Consultant agrees to comply with RCW 49.60.180, prohibiting unfair employment practices.

**5. CITY APPROVAL REQUIRED.** Notwithstanding the Consultant's status as an independent contractor, the Services performed pursuant to this Agreement must meet the approval of the City, which shall not be unreasonably withheld if the Services have been completed in compliance with the Scope of Services and City requirements.

**6. GENERAL TERMS.**

**6.1 NOTICES.** Receipt of any notice shall be deemed effective three (3) calendar days after deposit of written notice in the U.S. mail with proper postage and address.

Notices to the City shall be sent to the following address:

**CITY OF MARYSVILLE**

Jan Berg

City of Marysville

1049 State Avenue

Marysville, WA 98270

Notices to the Consultant shall be sent to the following address:

**BILLING DOCUMENT SPECIALISTS**

Patricia Azbill, Project Development  
915 Main Street, Suite 1000  
Caldwell, ID 83605

**6.2 TERMINATION.** The City may terminate this Agreement in whole or in part at any time by sending written notice to the Consultant. As per Section 6.1, the Consultant is deemed to have received the termination notice three (3) calendar days after deposit of the termination notice in the U.S. mail with proper postage and address. The termination notice is deemed effective seven (7) calendar days after it is deemed received by the Consultant.

If this Agreement is terminated by the City for its convenience, the City shall pay the Consultant for satisfactory Services performed through the date on which the termination is deemed effective in accordance with payment provisions of Section 3, unless otherwise specified in the termination notice. If the termination notice provides that the Consultant will not be compensated for Services performed after the termination notice is received, the City will have the discretion to reject payment for any Services performed after the date the termination notice is deemed received.

**6.3 DISPUTES.** The parties agree that, following reasonable attempts at negotiation and compromise, any unresolved dispute arising under this Agreement may be resolved by a mutually agreed-upon alternative dispute resolution of arbitration or mediation.

**6.4 EXTENT OF AGREEMENT/MODIFICATION.** This Agreement, together with exhibits, attachments, and addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified, or added to only by a written supplemental amendment properly signed by both parties.

**6.5 SEVERABILITY.**

a. If a court of competent jurisdiction holds any part, term, or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining parts, terms, or provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.

b. If any part, term, or provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that part, term, or provision shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

**6.6 NONWAIVER.** A waiver by either party of a breach by the other party of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay, or failure of either party to insist upon strict performance of any agreement, covenant, or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition, or right.

**6.7 FAIR MEANING.** The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.

**6.8 GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

**6.9 VENUE.** The venue for any action to enforce or interpret this Agreement shall lie in the Superior Court of Washington for Snohomish County, Washington.

**6.10 COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement.

**6.11 AUTHORITY TO BIND PARTIES AND ENTER INTO AGREEMENT.** The undersigned represent that they have full authority to enter into this Agreement and to bind the parties for and on behalf of the legal entities set forth herein.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

CITY OF MARYSVILLE

Valli Information Systems

By: \_\_\_\_\_

By: \_\_\_\_\_

Jon Nehring, Mayor

Bob Jenkins

Its: President

Attested/Authenticated:

\_\_\_\_\_  
April O'Brien, Deputy City Clerk

Approved as to form:

\_\_\_\_\_  
Jon Walker, City Attorney

# EXHIBIT A



915 Main Street, Suite 1000 Caldwell, Idaho 83605  
800.627.3283 • f 208.459.3680 • www.billingdoc.com

City of Marysville

1049 State Avenue

Marysville, Washington 98270-4234

RE: RFP Online Bill Presentation, Online Bill Pay and Phone Payment Line plus Email, Text and Phone Call Notifications

Dear RFP Decision Committee,

Billing Document Specialists (BDS) would like to thank you for the opportunity to present our services and pricing for the above RFP. BDS has thoroughly read, and understands all aspects of the scope of work for this RFP. BDS further agrees to execute all terms of this contract if awarded.

With over 30 years of experience, BDS is always focused on providing better ways of reducing the cost of and improve services to City agencies. We encourage the City of Marysville to review our submission to see how BDS can provide an entire solution to ultimately save time and money. We are the true "One Stop Shop" to provide payment services. Because all of our services are "in house" you will have complete accountability with a level of service that is unsurpassed in the industry.

All of the pricing is attached and BDS will be happy to go through it and answer any questions you may have. We look forward to working with you.

Sincerely,

*Patricia Agbill*

Sales and Marketing

Billing Document Specialists, Inc.

# EXHIBIT A

To Whom It May Concern:

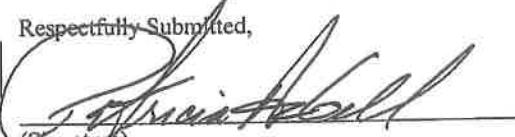
The following proposal is made for furnishing the materials and/or services for the City of Marysville, Office of the City Clerk.

The undersigned declares that the amount and nature of the materials/services to be furnished is understood and that the nature of this proposal is in strict accordance with the conditions set forth and is a part of this proposal, and that there will at no time be a misunderstanding as to the intent of the specifications or conditions to be overcome or pleaded after the proposals are received.

The undersigned, in submitting this proposal, represents that they are an equal opportunity employer, and will not discriminate with regard to race, religion, color, national origin, age and sex in the performance of this contract, if awarded.

The undersigned hereby proposes to furnish their goods and services F.O.B. City of Marysville, at the unit prices quoted herein after notice of proposal award.

Respectfully Submitted,

  
(Signature)

7-27-2016  
(Date)

Patricia Azbill Corp Sect.  
(Print Name) (Title)

Valli Information Systems Inc. DBA Billing Documents Specialists  
(Company Name)

915 Main Street, suite 1000, Caldwell, ID 83605  
(Mailing Address) (Street) (City) (State) (Zip)

208-459-3611 208-459-3680  
(Phone Number) (Fax Number)



# EXHIBIT A

Specifications

Billing Documents Specialist Response

Category                      Item #    Description  
 UTILITY BILLING

## VENDOR QUESTIONNAIRE

CATEGORY	ITEM #	QUESTIONS	ANSWERS
<b>QUESTIONNAIRE</b>			
General Company Info	1	Provide location of where business functions are located.	915 Main Street, Caldwell, ID
General Company Info	2	Describe your company—sole proprietorship, partnership, corporation, etc.	Corporation
General Company Info	3	Do you have any restrictions on the number of transactions made on a daily basis?	None unless the Clients request a limit or dollar amount
General Company Info	4	The Vendor will need to include a detailed description of the vendor's disaster recovery plan. The City will need to know what to expect and when in the event of a failure on the part of the vendor.	See Attached Disaster Recovery Plan
General Company Info	5	Can vendor power up and continue to run operations even with out power from the electric company grid.	No, but we can transfer our operations to one of two other physical locations, in New Mexico or Alaska, see disaster recovery plan for details
General Company Info	6	Vendor will provide total years experience using Munis UBCIS software if applicable and the number of customers currently using the software	BDS has printed & Mailed the bills and provided lockbox services for the City of Marysville since 2014. We provide similar services to other Cities using Munis UBCIS, other vendor software packages and custom software for over 25 years
General Company Info	7	Provide a minimum list of Five (5) companies or governmental agencies that currently utilize your services in a similar manner. Preferably governmental agencies.	See attached Reference list
General Company Info	8	Is the vendor's primary business function online and phone payment processing or is it online bill presentation services or both?	Both, BDS has been providing printing & Mailing services for cities for over 25 years, added payment and online bill presentation services in 2005
General Company Info	9	For payment processing, is that service subcontracted? And any fees associated with processing payments, are they billed by the Vendor or a 3rd party?	Merchant fees are billed by the Merchant processor, for this RFP, Gravity Payments would be the merchant processor, see attached Gravity proposal.
Implementation	10	Describe your implementation process and plan. Including mobile apps for Android, Apple and Windows applications.	Once the merchant gateway has been established, BDS will supply a url link to be "posted" to the City's web site. The web address can be accessed by any device that can access the web, the "page" is scaled to be user friendly See detailed Plan Implementation process
Implementation	11	Specify what would be a standard set up time for implementation.	4 to 6 weeks to complete customization of payment site to meet specifications, depending of response time from the city of approval including the 2 to 3 weeks to set API to merchant processor gateway and final testing to go live.
Performance	12	If a data file is provided by 11:59PM., provide a time when the updated customer balances and bill print presentation would be updated?	Upon receipt of update balance files the data file is automatically processed and new balances are available online within in a few minutes. BDS already has pdf images of all bills that we print & Mail, they would be available as soon as the print files have been approved, and archived for 24 months by account.
Performance	13	Detail the process and requirements for special inserts or selective insertions to be displayed online?	BDS already has special inserts pdf images attached to the selective or all pdf images of the bills printed & mailed.
Performance	14	Will vendor provide a dedicated staff member to Marysville's account that will be available when needed to discuss an issue?	BDS has a customer service Team, that will be available to discuss any issues, all communications are cc to the team so that they are aware of any existing problems and ready to respond to any questions either by phone or email.
Performance	15	The vendor must provide a link to the payment web site that will be posted and used on the City Website, any updates should not change the link, what is the process to ensure the web site link will remain the same?	BDS provides the URL link to the City, but retains the control of the screen pages, any changes must be approved by the city. The city can also request special messages or notices to be displayed on the log in screen by email to the Csteam.

## EXHIBIT A

Performance	16	Vendor will need to provide a Toll Free number, in which the City will forward it's own phone pay line to.	For the IVR service a dedicated toll free number is provided to the city, the city can forward its own phone pay line to.
Performance	17	Payment Cut Off is 3pm daily, including weekend and holidays. How will the vendor provide the payment posting filing and at what time? Does the vendor have a reporting web site in which the City can download the files at 3:01pm or anytime after that?	BDS can set the merchant processor gateway to "batch" at any specified time, BDS would program the reporting to match that time frame. All reports are generated in real time, including the import file back to the city cash receipting. This file and reports can be accessed either on our BDS Admin site or we can program it to automatically upload to a SFTP for the City to auto pull and post.
Performance	18	Regardless of circumstances, all deadlines, processes and 1 business day requirements can be met by the vendor (including but not limited to vacations, illnesses, etc.)	BDS has total cross trained personnel to cover any emergencies, vacations etc. Payment services funding, if batched before 7 PM deposits will funds to bank next business day
Performance	19	Can the vendor provide an website dedicated to City Staff to be an administrator to view payments, cancel payments for the current cutoff period only(3pm previous day to 3pm today), download reports, view customer accounts, help customers walk through setting up an account, have the ability to initiate text, email and call notification, plus any other administrative duties necessary to fully utilize the vendor's product.	BDS will provide the City access to the secure BDS Admin site for city supervisor, & provide separate users access if requested with limited access for other staff members if requested. BDS will also setup City supervisor access to the Merchant Gateway with username and password for voids, refunds and backup reporting. The BDS Admin site, will have import files and reports by day, date range searches, list of all accounts signed up for e statements or auto payments. Account number search with min. of 24 month archives of bill pdf images history of all payments successful and those declined or not completed.
Performance	20	Provide a process to schedule auto phone calls, text and emails at 5pm on Friday nights with a predetermined message to notify potential customers of disconnection, along with the options for payment and deadline to make the payment by. City will provide a format for customer information, including name, phone number, cell number and email.	BDS currently has a proven outgoing autophone system for shut off notices with the ability to make credit card payments. This service generates a report by account of the status of the call, received, hung up, went to VM etc. We can add the text and emails to this, but it will take some additional development time. BDS does have texting and emails for the e bills but not currently for the shut off notice programming.
Performance	21	For customer authentication, the City uses a 12 digit account number and 1-8 digit Customer Information Number (CID), this authentication will need to be entered prior to any payment processing, can the Vendor provide this for both one time payments and customer login accounts?	BDS has the data base with all three validation numbers from the Print & Mail files we receive, Bill number, Customer number and Account number, we can use any or a combination of numbers for validation
Performance	22	Deposits of City Funds must be done electronically and within 1 business day of receipt, does the vendor have any requirements that prevent this process from occurring?	No problem if the end of processing day is closed at any time before 5 PM Pacific Time, the merchant processor can fund to the bank next business day.
Performance	23	Does your product provide customers the ability to reset their own password via email? And does the login requirements include security questions?	Yes there is a forgot password option on the login screen, a temp password will be send to the email provided in the original username setup. There is a security question required for any additional information. The customers can do a one time payment without setting up a username, we require two validations, account number and one other of client's choice. Normally the first 4 of the name as it appears on the bill, that takes them to an express payment screen where they can add additional accounts to pay, an select the amount to pay on each account, enter credit card data and submit.
Performance	24	What does your company invoice for, access to web bills, emails, text and calls? What about merchant charges for credit cards, debit cards and ach transactions from checking and savings accounts? The City qualifies for a lower credit card rate for Utility Services, do your fees take that into account when processing payments?	BDS has a monthly maintenance charge for payment services that covers all reporting, customer service, payment screen message changes etc. There is a per e bill email, and separate fee for auto phone calls etc. see price sheet
Performance	25	Does your company provided automatic emails and texts to customers when a new bill is ready? When a payment is made?	If the customer has requested e bill notification, an automatic email is generated as soon as the print file has been approved, for Payment services auto emails if successfully signed up for auto payment, when auto payment has been processed, when debit / credit card is expiring etc. In addition the Merchant account can be set to email the city confirmation of all payment etc.
Performance	26	Describe your customer service philosophy.	Customer service is our number 1 priority. Our cs team is well cross trained to handle all questions, and if they have to reach to programing to resolve a problem, follow up with the client is immediate and again as soon as there is an explanation or resolution.



915 Main Street, Suite 1000 Caldwell, Idaho 83605  
800.627.3283 • f 208.459.3680 • www.billingdoc.com

securityMETRICS®



## Certificate of PCI DSS Merchant Compliance

### Payment Card Industry Data Security Standards Validation

Based on the information provided by the merchant listed below involving its security policies, procedures, and regulations, SecurityMetrics has found the merchant to be compliant with the Payment Card Industry Data Security Standards (PCI DSS), endorsed by Visa, MasterCard, American Express, Discover, and JCB card brands.

**Valli Information Systems, Inc.**

Last Passing Scan Date: 17 Jun 2016

Self Assessment Questionnaire (SAQ D 3.2) Compliant Date: 23 Aug 2017

SecurityMetrics recognizes the merchant for its efforts to reduce credit card theft and fraud. By achieving PCI certification, this merchant is maintaining rigorous data security standards to ensure that its customer's credit card information remains safe and secure. In order to maintain PCI DSS compliance the merchant's self-assessment questionnaire must be passed every 12 months and any scans, if applicable, must be passed every 3 months.

[www.securitymetrics.com](http://www.securitymetrics.com)

[www.pcisecuritystandards.org](http://www.pcisecuritystandards.org)

Ian Taylor

Director of Security Fulfillment



Prepared By: Brad Hennessy  
(866) 701-4700 ext:  
8-Aug-16

## Consultative pricing review

Prepared especially for:  
City of Marysville, WA

### WE AT GRAVITY PAYMENTS ARE COMMITTED TO PROVIDING



**the best service**

Serving you is our top priority. That's why our customers are with us over **5 TIMES LONGER** than industry average.



**transparency**

No hidden fees or surprises. We want you to **understand** every detail of your statement.



**simplicity**

We can integrate quickly and **seamlessly** with your current point-of-sale system, or **recommend** new options.



**support**

We are here when you need us. 24 Hours a day. 7 Days a week.



Statement Fee	\$0.00
Chargeback Fee	\$25.00
<b>Interchange and Fees</b>	
Discount Rate	0.15%
Avg. Interchange	0.52%
Transaction Fee	\$0.10
Batch Fee	\$0.00

**Monthly Est. Cost: \$6,084.08**

*Projected fees are based on:*

Monthly V/MC volume of: \$848,937.00

Average ticket of: \$214.27

**"We strive to provide as much value to customers as possible, while charging them as little as possible, and still survive as a business."**

-Dan Price, CEO & Founder of Gravity Payments



[www.gravitypayments.com](http://www.gravitypayments.com)

EXHIBIT A

Gravity Payments Merchant fees/ estimated invoice

Schedule of Fees	Estimated Monthly Count	Estimated Monthly Dollar Volume	Average Interchange Costs	Discount Rate	Transaction Fee	Merchant Fee Percentage	Total Fees Charged to City
<b>Online, Scheduled, Phone, and CSR made payments per month:</b>			0.0052	0.0015	0.1		
April Mastercard Debit	926	238,413	1239.75	357.62	92.60	0.71%	1689.97
April Mastercard Credit	331	85,221	443.15	127.83	33.10	0.71%	604.08
April Visa Debit	1,398	359,937	1871.67	539.91	139.80	0.71%	2551.38
April Visa Credit	1395	359,165	1867.66	538.75	139.50	0.71%	2545.91
April Discover	38	9,784	50.88	14.68	3.80	0.71%	69.35
April Savings Account	4	203	1.06	0.30	0.40	0.87%	1.76
April Checking Account	745	149,153	775.60	223.73	74.50	0.72%	1073.83

NMI Gateway Monthly Cost 10.00  
 NMI Gateway Transaction Fees (\$.10 per transaction) 458.10  
 Total estimated invoice to City 9004.37

# EXHIBIT A



915 Main Street, Suite 1000 Caldwell, Idaho 83605  
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### Schedule of Fees

**Online, Scheduled, Phone, and CSR made payments per month:**

See attached merchant cost details.

	Estimated Monthly Count	Estimated Monthly Dollar Volume	Merchant Fee Percentage	Total Fees Charged to City
April Mastercard Debit	926	238,413	0.71%	1,689.97
April Mastercard Credit	331	85,221	0.71%	604.08
April Visa Debit	1,398	359,937	0.71%	2,551.38
April Visa Credit	1395	359,165	0.71%	2,545.91
April Discover	38	9,784	0.71%	69.35
April Savings Account	4	203	0.87%	1.76
April Checking Account	745	149,153	0.72%	1,073.83
				0.00
May Mastercard Debit	991	212,341	0.72%	1,521.78
May Mastercard Credit	314	67,281	0.72%	482.18
May Visa Debit	1492	319,691	0.72%	2,291.13
May Visa Credit	1165	249,624	0.72%	1,788.98
May Discover	34	7,285	0.72%	52.21
May Savings Account	2	397	0.72%	2.86
May Checking Account	583	115,348	0.72%	831.13

	Estimated Monthly Count	Fee Per Notification	Total Fees Charged to City
Cost of Email, Phone, and Text notification to warn of impending shut off (typically 100 - 200 per week)	700	0.10	70.00
Cost of new bill notification to send via email and text	13,000	0.15	1,950.00
Cost to send payment notification via email and text	5,000	0.05	250.00
If your company has the ability to allow email notification on demand, what is the cost for this service	2,300 to		
should the city want to send emails either City Wide or to a specific group of customers	22,000	0.03	
setup per email run	1	75.00	

Who is your merchant processing company for payments? Gravity Payments  
 Does your company receive the lower Merchant fee costs for utility payments? Yes

**Please list any other monthly recurring charges with a description of what the charge is for.**

NMI Gateway Monthly Cost			10.00
NMI Gateway Transaction Fees (\$.10 per transaction)			458.10
NMI Return E CHECK Payment Fee	TBD	2.50	

**Please list any annual charges with a description of what the charge is for.**

**Please list any recurring charges that may be charged to the city that occur randomly or infrequently and a description of what the charge is for.** None

BDS monthly maintenance fee, including payment portal message update import files & all reporting			None
BDS Per successful transaction	4837	0.05	241.85
BDS IVR per payment charge: This cost can be collected from the customer	tbd	1.00	

**Cost to set up**

Initial programming and set up without any major customization to standard payment portal		750.00	750.00
Over the Counter setup		250.00	250.00
IVR set up initial customization of recorded messages and toll free number		100.00	100.00
Optimal Card readers, MagTek HID credit / debit card readers per reader		75.00	75.00
Any other 1 time costs associated with start up - if required customization to payment portal per hour rate		125.00	
Training		no charge	

**City of Marysville  
1049 State Avenue  
Marysville, WA 98270-4234  
Phone: 360-363-8015  
Fax: 360-651-5175**

## **Request for Proposal**

**To Provide  
Online Bill Presentation, Online Bill Pay and Phone  
Payment Line plus Email, Text and Phone Call  
Notifications**

### **NOTICE TO VENDOR/CONTRACTOR**

**Sealed proposals with Vendor/Contractor name and address will be received by the City of Marysville, Office of the City Clerk, City of Marysville, 1049 State Avenue, Marysville, WA 98270-4234; through the hour of 4:00 P.M. on September 1, 2016 at which time proposals duly delivered and submitted will be considered for supplying the following:**

**Online Bill Presentation, Online Bill Pay and Phone Payment Line plus Email, Text and Phone Call Notifications.**

Any proposal received after the stated closing time will be returned unopened. If proposals are sent by mail to the City Clerk's office, the Vendor/Contractor shall be responsible for actual delivery of the proposal to the City Clerk before the advertised date and hour as stated above. If mail is delayed either in the postal service or in the internal mail system of the City of Marysville beyond the date and hour set for the proposal receipt, proposals thus delayed will not be considered and will be returned unopened.

Inquiries concerning the proposal specifications must be submitted in writing to: Finance Operations Manager, City of Marysville, 1049 State Avenue, Marysville, WA 98270-4234. The City may respond to the question to all those submitting a proposal.

Information on the proposal process/procedures may be obtained from April O'Brien, Deputy City Clerk at 360-363-8077 or by emailing [cityclerk@marysvillewa.gov](mailto:cityclerk@marysvillewa.gov). The City may respond to the question to all those submitting a proposal.

The City reserves the right to reject any and/or all proposals, to waive technicalities, to re-advertise, and/or to proceed otherwise when the best interests of the City will be realized hereby. Proposals will be submitted sealed and plainly marked with the date and time of receipt.

City of Marysville

*John R Nield*

John Nield, Financial Operations Manager

**PROPOSAL OF VENDOR/CONTRACTOR**

To Whom It May Concern:

The following proposal is made for furnishing the materials and/or services for the City of Marysville, Office of the City Clerk.



The undersigned declares that the amount and nature of the materials/services to be furnished is understood and that the nature of this proposal is in strict accordance with the conditions set forth and is a part of this proposal, and that there will at no time be a misunderstanding as to the intent of the specifications or conditions to be overcome or pleaded after the proposals are received.

The undersigned, in submitting this proposal, represents that they are an equal opportunity employer, and will not discriminate with regard to race, religion, color, national origin, age and sex in the performance of this contract, if awarded.

The undersigned hereby proposes to furnish their goods and services F.O.B. City of Marysville, at the unit prices quoted herein after notice of proposal award.

Respectfully Submitted,

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Print Name) (Title)

\_\_\_\_\_  
(Company Name)

\_\_\_\_\_  
(Mailing Address) (Street) (City) (State) (Zip)

\_\_\_\_\_  
(Phone Number) (Fax Number)

**INTRODUCTION**

The City of Marysville (hereinafter referred to as "City") is soliciting Requests for Proposals from qualified Vendor/Contractor (hereinafter referred to as either "Vendor/Contractor") that can provide the City with high-quality, Online Bill Presentation, Online Bill Pay and Phone Pay Line, plus Email, Text and Phone Call Notifications and Payment Processing.

The City's goal is to partner with one Vendor/Contractor that can perform all aspects of our Online Bill Presentation, Online Bill and Phone Pay plus Notifications through Email, Text and

Phone needs as well as payment processing. In the event one Vendor/Contractor cannot satisfactorily address all the requirements herein, the City reserves the right to select separate Vendor/Contractor for individual services. The services shall include, but are not limited to, Online Bill Presentation, Online Bill Pay and Phone Pay Line, plus Email, Text and Phone Call Notifications and Payment Processing. Proposals should clarify whether the Vendor/Contractor is willing to perform all and/or individual services.

The initial Contract term will be for a five-year period, with the option to administratively extend the contract for two additional one year periods, under the same terms and conditions, to be executed at the City's discretion. In addition, at the City's discretion, there will be the option to continue the contract on a month-to month basis for a period of up to 6 months, at the current contract rate, to allow time for the City to transition.

The City reserves the right to negotiate contract terms with the successful Vendor/Contractor for services not initially selected for the full term of this contract.

**PROPOSAL SCHEDULE**

The below table provides an approximate timetable. Changes may be made to this schedule to meet the needs of the City.

<b>Event Time</b>	<b>Due Date</b>
Issue RFP	July 18, 2016
Vendor/Contractor Questions	Due 4:00 pm August 1, 2016
City Response to All Questions	August 8, 2016
Proposal Response	Due 4:00 pm September 1, 2016
City Recommendation to Finance Committee	October 19, 2016
City Recommendation to City Council	October 24, 2016
Notice of Award	October 25, 2016
Begin Implementation and Testing	October 31, 2016
Effective Date of New Contract	March 1, 2017

**BACKGROUND**

The City currently has approximately 22,000 utility customers, with an estimated 8,000 online accounts and has approximately 4,600 payments made monthly online (one time or scheduled auto pay), over the phone or taken by a Customer Service Representative. Each customer is billed on a bi-monthly basis, about 11,000 accounts are billed monthly and the payment due date is 21 days from the bill date.

Each bill includes one or more services that are active for each utility account. The online bill presentation must match or be substantially the same as our hard copy bills (See Exhibit 3 Bill Prints)

The City currently bills utility customers through the Munis Utility Billing Customer Information Service (UBCIS) program. The City is currently operating under MUNIS version 10.5 with our bill print file generated in XLM format (See Exhibit 3 Bill Prints).

The City currently qualifies for a lower utility rate for merchant fees on qualified cards. The City

expects the Vendor/Contractor to provide the same type of discount as well.

The City anticipates the Vendor/Contractor will not only offer sufficient online presentation, bill pay, phone pay and notification services to adapt the City's utility billing data into the Vendor/Contractor's database to accommodate online bills, online payments, phone payments and notifications by Email, Text and Phone, ut will allow for periodic modification of the bill format at the City's request.

The City transmits its data electronically. The Vendor/Contractor is expected to acknowledge receipt of the data and to present online bills, updated balance information both online and phone pay line plus notify customers via Email and Text within 1 day of receiving updated customer information.

### **REQUIREMENTS AND SCOPE OF WORK**

The selected Vendor/Contractor must have the ability to meet each of the requirements below. If a requirement cannot be met, please provide an alternative approach for consideration.

1. The selected Vendor/Contractor must have the ability to accept daily bill files and daily customer information files using an online upload or a standard secured FTP or SFTP transmission. The City must be able to log into the Vendor/Contractor's server and transmit the files daily, as needed.
2. The Vendor/Contractor must be able to accept the City's bill files in their current format, using the current transmission method. The City is unable to change the bill file format without manual intervention and/or a modification to the UBCIS system. Specific requirements are below:
  - A. The bill files will be presented in an XML format and Vendor/Contractor must be able to extract data from spool files generated through our billing system.
  - B. The City must be able to automatically connect to the Vendor/Contractor's secure FTP server to transfer the files.
3. The City must be able to receive an electronic payment posting file daily (in the Munis Approved Format), with all payments from 3:00pm the previous day to 3:00pm the current day being considered the cut off time. The City must have online access to these files by 3:30pm to post the payments to customer accounts or if on a weekend or holiday be available for online access the following business day by 8am. (See Exhibit 4 Posting File)
4. The City must approve a sample online bill and payment posting file, test the online bill pay process, phone pay line, customer service representative's ability to process a payment at their own computer should a customer need assistance, and test the notification emails, text and phone calls before going into live production.
5. Vendor/Contractor must be able to notify a customer via email and text once a new bill is ready or a payment has been made. The Vendor/Contractor must provide emails, text and phone calls to customers who are in danger of being shut off. The City will provide a list of customers,

with phone numbers to call and text, along with email addresses in an excel file format at a time sufficient to have the notification go out on Fridays between 5pm and 6pm and occasionally at other times during the week. The City will provide the messaging that will need to be sent. The City may require a different message should the shut off date be changed for any reason (See Exhibit 5 Notifications).

6. The Vendor/Contractor must be able to accommodate 4 types of bills; Regular, Past Due, Shut Off and Final. For Past Due and Shut Off notices, copies will be sent to the owner/property management company and will need to be available for display purposes only. The Customer Information File, sent daily, will provide the Account Number, Customer information, Customer ID, bill invoices, amount due and the due date.

7. The Vendor/Contractor must have the capability to present each bill independently of other bills so customers can view each bill in a PDF file that can be saved by the customer. Customers must be able to pay one bill or multiple bills at a time, and must be required to pay a bill that is beyond 30 days past due both online and over the phone pay line.

8. The Vendor/Contractor should have the capability to allow customers to automatically schedule payments on the due date of each bill using a credit or debit card, checking or savings account. The Vendor/Contractor should also have the capability to allow customers the options of making automatic payments in a set amount on a specified date, such as the 15<sup>th</sup> of each month.

9. The Vendor/Contractor should have the capability to:

- A. Update amount due daily from the Customer Information File and display that online and on the phone pay line.
- B. Update Auto Pay amount to current amount from the Customer Information File so customers only get charged for the amount outstanding at the time of the auto pay.
- C. Provide clear direction when the auto pay will start for a customer so as they know if they have to make a manual payment or if the payment will be automatically made.

10. The Vendor/Contractor must provide an online resource in which the City's Customer Service Representatives have access so that they can log in to see real time up to date payments, customer account information, run reports if necessary, to see all payment history, to be able to take a payment, and be able to cancel a payment only within the 3pm to 3pm cutoff time of the current date. Access should restrict the ability to cancel a payment outside the cutoff time frame (such as on Thursday trying to cancel a payment made on Monday). Customer Service Representative should be able to reset customer passwords if necessary.

11. The Vendor/Contractor will provide requirements for customers to either establish a login to enable bill viewing, scheduling payments, making a payment, seeing bill history, the current balance and due date or to allow a customer to make a one-time payment without a login. Based

on the City's requirement to make a phone payment, an online one-time payment or to set up an account, the customer must be required to enter two pieces of information, their account number (12-digit number) and their customer ID number (CID) (which can be 1 or more digits). For online customers, the Vendor/Contractor will need to provide 3 security questions and allow customers to reset their password on their own if they become locked out or forget their password.

12. Bill Inserts and Messages:

- A. The City will provide to the Vendor/Contractor a copy of bill inserts in which the Vendor/Contractor must provide an interface and user field so that customers can view and print online bill inserts
- B. Bill presentation must include any bill messaging and a notice that a bill insert is present and available to view.

13. The City currently manually adjusts and re-prints bills for customers for various reasons, such as leaks and misread meters, the balance either online or over the phone must reflect this new amount the next day.

14. Please provide details about the following:

- A. Quality control procedures to ensure bills are presented and balances are correct.
- B. Ability to provide customer support during the hours of 8am to 5pm Pacific Time
- C. Procedures for ensuring that the file transmissions are completed successfully and procedures for correcting issues.

15. The vendor must accept at a minimum Debit cards and payments from Checking or Savings accounts, Visa and MasterCard credit cards, and if possible, Discover and American Express credit cards. Payments online or over the phone, to the extent possible, need to be approved or rejected right away. Credit and Debit Cards should be immediately verified, checking and savings account may be only verified by routing number.

16. Returned payments would need to be processed and available as soon as possible. Notification to both the customer and the City would need to be made advising of a returned payment. The Vendor's system should be able to allow the City to block payment types individually on each customer's account. For example, the City would be able to block checking and savings account payments but leave credit and debit card payments available.

## **TECHNICAL REQUIREMENTS**

1. **Online**

- A. Online Access must be available through computer, tablet and smartphone.
- B. The vendor has the ability to notify City Customers via email, text and phone calls.
- C. And the vendor has the ability to let customers set up auto payments via credit or debit cards, checking or savings account. Once a customer has finished setting up the auto pay, the confirmation will be displayed and, at minimum, an email will be sent stating when the autopay will start.

- D. Ability to provide email and text notifications of new bills.
- E. Vendor provides automatic calling for impending Disconnection Notice.
- F. The City should be able to verify online population of customer bills, have the ability to view real time payments and be able to make payments on customer's behalf from an authorized web site for City employees only.

2. **Reporting**

- A. File Confirmation Report – Confirm receipt of bill print files and loading of bills online.
- B. Report showing payments made for the time frame of 3:00pm to 3:00pm known as the customer activity report, along with the posting file which is compatible with our Munis system to be able to upload the payments to each customer's account.
- C. Online report that shows all the customers texted, emailed and called on Friday's for shut off calls and if the call was successfully connected and duration of the call. Online report show email and text notifications were sent out for new bills and impending disconnection messaging.

3. **Security**

- A. The Vendor/Contractor must provide necessary security to protect the City's (and utility customers') data from unauthorized access. Please provide details about the security measures that are in place. Include procedures for ensuring that only authorized persons are able to access any data involving customer accounts, payment information, email addresses, phone numbers and any other red flag data.
- B. Describe in detail how security is handled for information shared between the Vendor/Contractor and the City via email or online and compliance with Red Flag procedures. (Red Flag procedures must comply with Federal and State law as well as City policy.)
- C. The Vendor/Contractor must allow site visits by City personnel.
- D. The Vendor/Contractor shall provide insurance coverages as set forth in the proposed contract.
- E. Vendor/Contractor will be required to submit proof of a biannual independent financial audit throughout the life of the agreement.

4. **Customer Support and Disaster Recovery**

- A. Customer Support to City – Vendor/Contractor shall provide:
  - 1. Unlimited customer support during the hours of 8:00 am – 5:00 pm, Pacific Time - during normal business days.
  - 2. Procedures for after-hours support.
  - 3. A list of company holidays.
  - 4. Contact points for customer service.
- B. Disaster Recovery
  - 1. The Vendor/Contractor must have a backup and disaster recovery facility to process the City's online bills and payments if the main facility becomes inoperable. Facilities must be geographically diverse to protect against regional

events. Please list your facility locations.

2. Provide a detailed summary of the Vendor/Contractor's disaster recovery plan.

6. **Exception Processing**

- A. The system should allow the ability for the City to cancel customer payments only made during the 3pm to 3pm time frame. This system should be web based through a secure log in and be integrated between the City and the Vendor/Contractor. The system should be business rules based.
- B. If any errors in processing occur, such as duplicate payments, wrong amounts displayed (online or over the phone), erroneous email communication, the Vendor will take immediate action to remedy the issue, including resending emails, canceling duplicate payments and ensuring customers will have money returned to their bank accounts or credit cards within 1 business day, if not sooner.

**PAYMENT PROCESSING**

The City requires the following services to be performed:

- A. Process customer payments via the web or phone daily and provide a posting report of all payments as soon as possible after 3pm, but no later than 3:30.
- B. Balance and deposit payments electronically into the City banking account and provide a copy of the deposit. Must be done within one (1) business day. **This schedule must be contractually guaranteed.**
- C. Ensure all payments are processed and either accepted or rejected when the customer submits their payment. Any rejected payments are noted as to why rejected and available for the City to view on a daily basis.
- D. Keep bill images and payment information accessible online for customers and the City for 24 months and then available through other means of retrieval, both for the Customer and the City.
- E. Any returned payments will be called out with both the City and Customer being notified of the returned payment.

**INVOICING OF SERVICES**

The vendor will invoice the City monthly for charges due for the previous month. The invoice should detail the charges incurred, including credit card fees, debit card fees, checking / savings account fees, fees for using the online system, return fees and any other fees broken out and detailed. The invoice will be paid via check from the City and due 30 days after the date of the invoice. **The City does qualify for a lower utility provider rate on merchant fees.**

**GENERAL REQUIREMENTS**

Proposals should be as thorough and detailed as possible so that the City may properly evaluate the capabilities of respective Vendor/Contractors to provide the required services.

Vendor/Contractors are required to submit the following items for a complete proposal:

1. A statement of the Vendor/Contractor's understanding of the work to be performed in accordance with the timeline.
2. Information as to the Vendor/Contractor's background and experience relative to the services being requested. Vendor/Contractors must have experience working with Munis UBCIS or similar software including real-time data exchange for online data and bill payments.
3. Detailed implementation plan that includes key tasks, milestones, and designated City and Vendor/Contractor responsibilities. Outline all training that will occur during the course of this project.
4. Information concerning on-going support that will be provided explaining the security around customer information also including red-flag considerations.
5. Vendor/Contractor's project pricing and preferred payment schedule.
6. Listing of five (5) clients who may be contacted as reference, for whom similar services have been provided. Include client names, addresses, emails and telephone numbers.
7. Also provide a list of any customer who stopped service prior to the original contract expiration date in the last 10 years, and the reason for the termination.
8. Please provide a list of at least two (2) customers who did not renew their contract after the expiration.
9. Any other special experience and qualifications relative to this project.
10. Be able to comply with the Professional Services Agreement included in this RFP (sample at the end of this document).

## MINIMUM QUALIFICATIONS

The following are minimum qualifications and licensing requirements that the Vendor must meet in order for their proposal submittal to be eligible for evaluation. The City requests a one-page or appropriate-length document as part of your proposal response, to clearly show compliance to these minimum qualifications. The RFP Coordinator may choose to determine minimum qualifications by reading that single document alone, so the submittal should be sufficiently detailed to clearly show how you meet the minimum qualifications without looking at any other material. Those that are not clearly responsive to these minimum qualifications shall be rejected by the City without further consideration:

**Payments:** The proposed solution must support electronic checks (ACH) payments from checking and saving accounts, Debit and Credit Cards Visa, MasterCard at a minimum and if possible Discover and American Express.

**PCI Compliance:** The Vendor must provide certification of compliance with all



current Payment Card Industry (PCI) standards.

**PABP Compliance:** The Vendor must provide certification of compliance with all current Payment Application Best Practices (PABP) standards

**Relevant Experience:** Vendor must have a minimum of three (3) successful experience E-Payment business.

**Experienced Staff:** The primary staff assigned to the project must have completed at least two (2) previous successful implementations of E-Payment software.

**Certified Reseller (or Factory Authorized Reseller):** The Vendor, if other than the manufacturer, shall submit with the proposal a current, dated, and signed authorization from the manufacturer that the Proposer is an authorized distributor, dealer or service representative and is authorized to sell the manufacturer's products. Failure to comply with this requirement may result in bid rejection. This includes the certification to license the product and offer in-house service, maintenance, technical training assistance, and warranty services, including availability of spare parts and replacement units if applicable.

## **MANDATORY TECHNICAL REQUIREMENTS**

The following are mandatory technical requirements that the Vendor must that must meet for the proposal to remain eligible for consideration. You must clearly show that your product or service meets these mandatory technical requirements, or your proposal will be rejected as non-responsive. The City requests a one-page or appropriate-length document as part of your proposal response, to clearly show compliance to these mandatory technical requirements. The RFP Coordinator may choose to determine mandatory technical requirements by reading that single document alone, so the submittal should be sufficiently detailed to clearly show how you meet the mandatory technical requirements without looking at any other material. Those that are not clearly responsive to these mandatory technical requirements shall be rejected by the City without further consideration:

The proposed solution must be able to accept Credit/Debit Card Payments using Web API / Web Service, hosted bill payments, and IVR.

The proposed solution must be able to accept one-time ACH Payments using Web API / Web Service, hosted bill payments, and IVR.

The proposed solution must be able to establish recurring payments for credit cards, debit cards, and ACH.

The proposed solution must allow customers to make payment without creating a user-id/login.

The proposed solution must provide an expanded choice of payment options to select payment processing options for types of credit cards accepted, payment channel (Web, IVR, OBO, etc.), web payment integration (API, pass-through, hosted, etc.), and convenience Fees (percentage-based or flat fee). The City currently does not charge a fee for online, phone or CSR initiated payments, as well as qualifying for the lower utility rate on merchant fees. The City's goal is to continue the no fee to the

customer option, but the RFP must include all options.

The proposed solution must be able to authorize credit/debit card transactions real-time.

The proposed solution must be able to validate ABA routing and transit numbers for ACH payments real time.

The proposed solution must be able to provide payment data files that includes user defined data.

The proposed solution must be able to transmit payments details to the bank.

The Vendor must be able to provide an independent test report stating the application is free from known security defects.

### **MINIMUM LICENSING AND BUSINESS TAX REQUIREMENTS**

This solicitation and resultant contract may require additional licensing as listed below. The Vendor needs to meet all licensing requirements that apply to their business immediately after contract award or the City may reject the Vendor.

Companies must license, report and pay revenue taxes for the Washington State Business License (UBI#) and Marysville Business License, if they are required to hold such a license by the laws of those jurisdictions. The Vendor should carefully consider those costs prior to submitting their offer, as the City will not separately pay or reimburse those costs to the Vendor.

### **VENDOR/CONTRACTOR QUESTIONNAIRE**

CATEGORY	ITEM #	QUESTIONS	ANSWERS
<b>QUESTIONNAIRE</b>			
General Company Info	1	Provide location of where business functions are located.	
General Company Info	2	Describe your company--sole proprietorship, partnership, corporation, etc.	
General Company Info	3	Do you have any restrictions on the number of transactions made on a daily basis?	
General Company Info	4	The Vendor will need to include a detailed description of the vendor's disaster recovery plan. The City will need to know what to expect and when in the event of a failure on the part of the vendor.	
General Company Info	5	Can vendor power up and continue to run operations even with out power from the electric company grid.	
General Company Info	6	Vendor will provide total years experience using Munis UBCIS software if applicable and the number of customers currently using the software	
General Company Info	7	Provide a minimum list of Five (5) companies or governmental agencies that currently utilize your services in a similar manner. Preferably governmental agencies.	
General Company Info	8	Is the vendor's primary business function online and phone payment processing or is it online bill presentation services or both?	
General Company Info	9	For payment processing, is that service subcontracted? And any fees associated with processing payments, are they billed by the Vendor or a 3rd party?	
Implementation	10	Describe your implementation process and plan. Including mobile apps for Android, Apple and Windows applications.	
Implementation	11	Specify what would be a standard set up time for implementation.	
Performance	12	If a data file is provided by 11:59PM., provide a time when the updated customer balances and bill print presentation would be updated?	
Performance	13	Detail the process and requirements for special inserts or selective insertions to be displayed online?	
Performance	14	Will vendor provide a dedicated staff member to Marysville's account that will be available when needed to discuss an issue?	
Performance	15	The vendor must provide a link to the payment web site that will be posted and used on the City Website, any updates should not change the link, what is the process to ensure the web site link will remain the same?	

CATEGORY	ITEM #	QUESTIONS	ANSWERS
<b>QUESTIONNAIRE</b>			
Performance	16	Vendor will need to provide a Toll Free number, in which the City will forward it's own phone pay line to.	
Performance	17	Payment Cut Off is 3pm daily, including weekend and holidays. How will the vendor provide the payment posting filing and at what time? Does the vendor have a reporting web site in which the City can download the files at 3:01pm or anytime after that?	
Performance	18	Regardless of circumstances, all deadlines, processes and 1 business day requirements can be met by the vendor (including but not limited to vacations, illnesses, etc.)	
Performance	19	Can the vendor provide an website dedicated to City Staff to be an administrator to view payments, cancel payments for the current cutoff period only(3pm previous day to 3pm today), download reports, view customer accounts, help customers walk through setting up an account, have the ability to initiate text, email and call notification, plus any other administrative duties necessary to fully utilize the vendor's product.	
Performance	20	Provide a process to schedule auto phone calls, text and emails at 5pm on Friday nights with a predetermined message to notify potential customers of disconnection, along with the options for payment and deadline to make the payment by. City will provide a format for customer information, including name, phone number, cell number and email.	
Performance	21	For customer authentication, the City uses a 12 digit account number and 1-8 digit Customer Information Number (CID), this authentication will need to be entered prior to any payment processing, can the Vendor provide this for both one time payments and customer login accounts?	
Performance	22	Deposits of City Funds must be done electronically and within 1 business day of receipt, does the vendor have any requirements that prevent this process from occurring?	
Performance	23	Does your product provide customers the ability to reset their own password via email? And does the login requirements include security questions?	
Performance	24	What does your company invoice for, access to web bills, emails, text and calls? What about merchant charges for credit cards, debit cards and ach transactions from checking and savings accounts? The City qualifies for a lower credit card rate for Utility Services, do your fees take that into account when processing payments?	
Performance	25	Does your company provided automatic emails and texts to customers when a new bill is ready? When a payment is made?	
Performance	26	Describe your customer service philosophy.	

## PRICING / PERFORMANCE

Pricing proposals should be detailed. Vendor/Contractor shall include all pricing for initial deployment and on-going costs. Pricing must include all costs for labor, hardware, software, hosting, testing, training, travel, and any other costs to be charged by the Vendor/Contractor. Prices shall include all costs associated with performing the requirements stated in the specifications and there can be no additional charges for jammed/wasted materials or any other overhead. Please include all costs that are associated with the utility billing on line presentation, online bill pay, IVR bill pay, email, text and phone call notifications, merchant processing fees and any other costs that may be associated with implementing these processes.

The Schedule of Fees is to be used to list all the costs involved. If an item is included under another item, please note that on the form. If an item is not listed, please list it. Use additional pages if needed.

Include **detailed** sample invoices for bill presentation, payments, fees and notification costs. The sample invoices should list all charges including merchant fees, notification charges for each type (email, text, phone), mobile applications, plus any other one time or recurring monthly fees. The sample invoices should be exactly what you would send us if you were our Vendor/Contractor; **What would your invoice and charges be to the City based on the information provided below?**

Under the performance section please answer the questions and provide detailed information on how these processes are accomplished.

<b>Schedule of Fees</b>	<b>Estimated Monthly Count</b>	<b>Estimated Monthly Dollar Volume</b>	<b>Merchant Fee Percentage</b>	<b>Total Fees Charged to the City</b>
Online, Scheduled, Phone and CSR made payments per month:				\$0
April MasterCard Debit	926	238,413		\$0
April MasterCard Credit	331	85,221		\$0
April Visa Debit	1,398	359,937		\$0
April Visa Credit	1,395	359,165		\$0
April Discover	38	9,784		\$0
April Savings Account	4	203		\$0
April Checking Account	745	149,153		\$0
				\$0
May MasterCard Debit	991	212,341		\$0
May MasterCard Credit	314	67,281		\$0
May Visa Debit	1,492	319,691		\$0
May Visa Credit	1,165	249,624		\$0
May Discover	34	7,285		\$0
May Savings Account	2	397		\$0
May Checking Account	583	115,348		\$0
	<b>Estimated Monthly Count</b>		<b>Fee Per Notification</b>	<b>Total Fees Charged to the City</b>
Cost of Email, Phone and Text notification to customers to warn of impending shut off (typically 100-200 per week)	700			\$0
Cost of new bill notification to send via email and text.	13,000			\$0
Cost to send payment notification via email and text.	5,000			\$0
If your company has the ability to allow email notification on demand, what is the cost for this service should the city want to send emails either City Wide or to a specific group of customers	2,300 to 22,000			\$0
Return Payment Fee	13			\$0
				\$0
Who is your merchant processing company for payments?				
Does your company receive the lower Merchant fee costs for utility payments?				\$0
				\$0
<i>Please list any other monthly recurring charges with a description of what the charge is for.</i>				\$0
<i>Please list any annual charges with a description of what the charge is for.</i>				\$0
<i>Please list any recurring charges that may be charged to the City that occur randomly or infrequently and a description of what the charge is for.</i>				\$0
				\$0
				\$0
				\$0
<b>Cost to set up</b>				\$0
Initial programming and set up				\$0
IVR Set Up				\$0
Any other 1 time costs associated with start up				\$0
Training				\$0

PERFORMANCE				
Estimated time from receipt of print file to online customer viewing				
Estimated time from receipt of print file to bill notification in customer's mailbox				
Estimated time from processing payments to deposit into City Bank Account				
What is your deadling for providing the information necessary for making Email, Text and Phone notifications and do we have the ability to schedule the calls, typically 5pm on Friday evenings?				
What are your customer service hours, do you have a phone number and email to contact your representatives?				
<b>Any additional services or products that could benefit the City, please list here.</b>				
				\$0
				\$0
				\$0
				\$0
				\$0
				\$0
				\$0

**PREPARATION OF PROPOSAL**

Those wishing to submit a proposal for evaluation are to follow the *proposal Format instructions defined below*. Vendor/Contractors must respond to all requirements in a straightforward and concise manner to the maximum extent possible. Emphasis should be on completeness and clarity of content and should not include any elaborate or promotional material. Proposals received that either do not follow these requirements, or contain insufficient information for a meaningful evaluation may result in disqualification from further consideration. The conformance of the proposal will be judged solely by the City.

**The proposal, at a minimum, shall include the following information:**

- Provide a brief background and description of the proposer's qualifications (less than three pages).
- Confirmation that the proposer has a minimum of three years’ experience in providing current services to other similar organizations.
- Describe how we will be billed and how services are billed including supplies, programming, phone calls, emails, text and other notifications or specific charges for services.
- Provide a schedule of fees. All fees need to be listed and priced separately. If a fee is not identified on the schedule, add it. If a fee is not applicable or there is no charge, put N/A or N/C.

- Provide **detailed** sample invoices, listing all items, including postage if applicable. If charges for multiple items are combined, please identify and state the individual items that comprise the joint line item.

#### **VENDOR/CONTRACTOR REMINDER LIST:**

Vendor/Contractors will submit all of the following materials if their submission is to be considered complete:

1. Signed "Proposal of Vendor/Contractor"
2. Completed Vendor/Contractor Questionnaire
3. Completed Schedule of Fees
4. Company References
5. Company Profile and Financial Statement current and last audit.
6. Five (5) copies of the RFP are due no later than September 1, 2016 at 4:00PM.

Questions concerning this RFP may be directed to John Nield, Financial Operations Manager at 360-363-8015 or [jnield@marysvillewa.gov](mailto:jnield@marysvillewa.gov). The city may respond to the question to all those submitting a proposal.