

City of Fayetteville Staff Review Form

2021-0944

Legistar File ID

12/21/2021

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Justin Clay

12/1/2021

PARKING MANAGEMENT (430)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Approving an agreement with AMG Solutions to provide merchant processing services and authorizing the Mayor to sign the associated merchant processor applications

Budget Impact:

N/A

Account Number

Fund

N/A

Project Number

Project Title

Budgeted Item? No

Current Budget \$ -

Funds Obligated \$ -

Current Balance **\$ -**

Does item have a cost? No

Item Cost \$ -

Budget Adjustment Attached? No

Budget Adjustment \$ -

Remaining Budget **\$ -**

V20210527

Purchase Order Number: _____

Previous Ordinance or Resolution # _____

Change Order Number: _____

Approval Date: _____

Original Contract Number: _____

Comments:



MEETING OF DECEMBER 21, 2021

TO: Mayor and City Council

THRU: Susan Norton, Chief of Staff
Chris Brown, Public Works Director & City Engineer

FROM: Justin Clay, Parking Manager

DATE: December 1, 2021

SUBJECT: Staff recommends approving an agreement with AMG Solutions to provide merchant processing services and authorizing the Mayor to sign the associated merchant processor applications

RECOMMENDATION:

Staff recommends approving the attached agreement with AMG Payment Solutions to consolidate its credit card processor for all parking-related credit card payments. This item was unanimously recommended for approval by the Transportation Committee at its meeting held on November 30, 2021.

BACKGROUND:

In 2019, the City implemented IPS Group Inc.'s hosted online payment website to allow parking citations to be paid online. AMG, and its partnership with First Merchant Data Services, currently provides credit card processing services for IPS Group related to its online citation payment portal.

The Division currently uses TSYS payment solutions for credit card processing related to payment at pay stations and through the parking payment mobile app. IPS Group Inc. hosts the payment website and remits payments to the City directly through our bank via Automated Clearing House (ACH) transfer.

DISCUSSION:

The Parking Division would like to consolidate its processor for all current and future parking-related credit card purchases. AMG/First Data Merchant Services specializes in high volume, low dollar amount transactions and has preferred interchange pricing in effect on regulated debit card transactions (which represent nearly 50% of all card transactions). City staff estimates the transition to AMG will save the City 20%-25% savings in on processing fees (approximately \$24,000 annually).

AMG Payment Solutions has been awarded Contract 11-46 for Merchant Processing Services on the National Cooperative Purchasing Alliance. The NCPA is a national purchasing cooperative that allows the city to leverage the purchasing power of a nationally bid agreement.

BUDGET/STAFF IMPACT:

No budget impacts. Savings on credit card processing fees are estimated at \$24,000 annually. If this agreement is approved, City staff will work with AMG and its partner, First Data Merchant Services, to setup a weekly ACH transfer to the City's bank.

ATTACHMENTS: AMG Payment Solutions agreement



November 23, 2021

City of Fayetteville Arkansas
113 West Mountain Street
Fayetteville, AR 72701

RE: Agreement for Merchant Processing Services

This agreement ("Agreement") confirms that AMG Payment Solutions ("AMG") will be providing merchant processing services to the City of Fayetteville Arkansas ("City") parking operations.

AMG Payment Solutions has been awarded Contract 11-46 for Merchant Processing Services on the National Cooperative Purchasing Alliance and are bound by those terms for the purposes of this agreement.

AMG will establish merchant accounts for the City through AMG's ISO relationship with First Data Merchant Services / Fiserv ("First Data / Fiserv") at pricing of Interchange plus \$0.05 per transaction. "Interchange Fees" (based on card type) and "Card Association Fees" (Visa/MasterCard/Discover) are a pass through from First Data / Fiserv to the City.

The City will execute a standard AMG merchant account application ("AMG Application") for each required merchant account. The AMG Application and a copy of the First Data / Fiserv program guide ("Program Guide") has been provided to the City for review. The Program Guide is the governing legal document for all City merchant accounts opened by AMG. Any subsequent (revised) versions of the Program Guide issued by First Data / Fiserv will be provided to the City in a timely manner, but no later than 30 days.

Current Interchange Fees, Card Association Fees and any other pass-through fees from the various card programs are available on their respective websites.

Interchange Fees and Card Association Fees are reviewed on a semi-annual basis and subject to change. Any changes to Interchange Fees or Card Association Fees will be disclosed to the City on the month end processing statement.

City merchant accounts, as applicable will be set up by AMG to qualify for Preferred Interchange pricing of 1.70% + \$0.05 ("Preferred Interchange") on small ticket regulated debit card transactions. AMG agrees that City merchant accounts (as applicable) will include Preferred Interchange for as long as Preferred Interchange is made available to AMG.



AMG's pricing over Interchange (\$0.05) will not change for the life of the contract between the City and First Data / Fiserv. There is no early termination fee associated with any City merchant accounts opened by AMG.

Please see below for additional details on the Statement of Work:

AMG will provide no cost conversion assistance and training to the City. Your appointed AMG lead relationship manager will be available throughout the entire role out process and on an ongoing basis to answer all credit card processing related questions.

Ongoing consulting is always part of the AMG engagement process.

AMG maintains a flexible and efficient implementation process that assigns dedicated resources to all client relationships. Our dedicated team of professionals routinely manages and supervises large, complex conversions of clients, such as the City.

The objectives of this team are to:

- Manage projects comprehensively, from initial scope to the final rollout and beyond
- Provide a single point of contact for the client during the implementation life cycle
- Ensure new AMG merchants are properly boarded, fully trained, and processing to client's satisfaction

Michael Mintz will be the lead relationship manager to the City. The lead relationship manager will:

- Manage the City's implementation through all phases
- Manage recurring meetings with the City to ensure that deliverables are met
- Maintain and communicate all schedules and action items
- Audit all internal systems and departments to proactively prevent implementation issues
- Coordinate all training and support teams
- Review the reconciliation process with the City through the first statement cycle

AMG handles customer services contacts Monday-Friday from 9am – 9pm EST.

AMG agents are well versed in all parking hardware and will be able to assist immediately.

Off hour support is provided by First Data 24/7/365 and the AMG lead relationship manager.

Program Start Up

- Review client implementation requirements for all collection terminals

Parking Meters / Pay Stations

- Identify associated payment gateways and system requirements
- Identify required VAR sheet information
- AMG handles communication and set up with vendors (as applicable and instructed by the City)

Mobile app (regardless of vendor)



- Identify associated payment gateways and system requirements
- Identify required VAR sheet information
- AMG handles communication and set up with vendor (as applicable and instructed by the City)

Deployment Process

- Kick off Call with AMG and City stakeholders
- Provide City with applicable merchant account application documents
- Review merchant account application documents with City and answer any questions
- Review completed merchant account applications with City and advise of changes that need to be made (if applicable)
- Submit completed merchant account applications to underwriting for approval
- Monitor merchant application approval process
- Advise City when merchant accounts are approved
- Provide City with unique account number to every merchant account and merchant location for transaction tracking and identification
- Complete required VAR sheets for meters, pay stations and mobile pay
- Communicate with PaybyPhone to ensure timely implementation of VAR sheet information / new merchant account "go live" date
- AMG handles this entire process for City (as applicable and instructed by the City)

AMG's client boarding process can be completed in as little as 10 days. We have factored in 2 weeks for City to internally review the merchant account applications and discuss.

Training

Training will be conducted via webinar

Confidentiality/Security Protocols

AMG agrees to abide by the same Confidentiality requirements found in paragraph 28 of the (Attached) Program Guide.

Hold Harmless

The City shall not be liable for any actions by AMG, its employees, agents, successors, and assigns and AMG agrees to hold the City harmless for the same.

AMG shall not be liable for any actions by the City, its employees, agents, successors, and assigns and the City agrees to hold AMG harmless for the same.

Assignment

AMG shall not assign this agreement without the City's express consent.



Entire Agreement

This Agreement, together with the exhibits and/or schedules referenced and attached thereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

Choice of Law

The agreement between AMG and the City shall be governed by and construed in accordance with the laws of the state of Arkansas, without regard to its choice of law's provisions.

Termination

Notwithstanding any other provisions in the Program Guide, the City reserves the right to terminate this agreement with 60 days written notice. Otherwise, this Agreement will remain in effect for one calendar year, with two options to renew for an additional year. Any subsequent awards must be reviewed and passed by the City Commission to become valid. Termination will not relieve the City of making payment for services rendered by AMG. To the extent anything in the Program Guide related to termination contradicts this Agreement, this Agreement shall control.

Date:

Authorized and Accepted By:

City of Fayetteville AR:

AMG:

/s/ _____

/s/ *Adam Gilinson* _____

Print:

Print: Adam Gilinson

Title:

Title: CEO

City of Fayetteville AR

AMG Payment Solutions