



September 23, 2020

PROJECT: Merchant Account Processing Services for e-Track Plus Software Application

Dear Prospective Submitter:

You are invited to submit a sealed price proposal for the above project. A copy of the Public Notice, and Request for Proposal are attached. Please make certain your Proposal is signed by an authorized representative of your company. Other items may be required to be included in your proposal so please read the documents thoroughly.

If you have questions please contact me at (423) 229-9315 or email brentmorelock@kingsporttn.gov . We look forward to receiving your proposal.

Regards,

Brent Morelock, CPPO, CPPB
Procurement Manager

REQUEST FOR PROPOSAL

Sealed Price Proposals for the following will be received by the Procurement Manager until 4:00 P.M., Eastern Time, October 9, 2020, and at that time publicly opened in the Council Room, City Hall located at 225 W. Center St., Kingsport, TN. All proposals will be considered for award or rejection at a later date.

PROJECT: Merchant Account Processing Services for e-Track Plus Software Application

Documents for the above referenced item are available online at <https://www.kingsporttn.gov/city-services/purchasing/> . Interested parties may also contact the Procurement Department at (423) 229-9419.

By submission of a signed proposal bid, the bidder certifies total compliance with Title VI and Title VII of the Civil Rights Act of 1964, as amended, and all regulations promulgated thereunder.

No submitted proposals may be withdrawn for a period of one hundred twenty (120) days after the scheduled closing time of the receipt of proposals. All proposals shall be signed, sealed and addressed to the Procurement Manager, City of Kingsport, 225 W. Center St., Kingsport, TN 37660 and marked "Merchant Account Processing Services for e-Track Plus Software Application". The City by its governing regulations reserves the right to accept or reject any or all proposals received, to waive any informalities in bidding and to re-advertise.

PUB 1T: 09/23/20

Chris McCartt
City Manager

PROCUREMENT PROCESS

- A. Proposals will be received by the Procurement Manager until 4:00 P.M., Eastern Time on October 9, 2020 at which time it will be publicly opened in the Council Room, City Hall, 225 W. Center Street, Kingsport, Tennessee and the names of the submitters read aloud.
- B. The Sealed Proposal shall be signed by an authorized representative and the sealed envelope addressed as follows:

Procurement Manager
City of Kingsport
225 W. Center Street
Kingsport, Tennessee 37660
Proposal for Merchant Account Processing Services for e-Track Plus
Software Application
- C. An original hard copy and three (3) additional hard copies of the Proposal are required.
- D. Proposals, modifications, or corrections received after the scheduled closing time of the receipt of Proposals will not be considered. The City of Kingsport is not responsible for delays in delivery by mail, courier, etc.
- E. No submitted Proposal may be withdrawn for a period of one hundred twenty (120) days after the scheduled closing time of the receipt of Proposals.
- F. No oral interpretation will be made to any Proposer as to the meaning of the Proposal Specifications or any part thereof. Each written request for clarification or interpretation shall be made in writing to the City.

NOTE – It is the intent of the City to issue one (1) addendum, if necessary. Written request for clarification and/or interpretation must be submitted via email to the Procurement Manager by the end of the business day, September 29, 2020, and an addendum will be issued by 4:00 P.M., Eastern time, on October 6, 2020 and will be available online at <https://www.kingsporttn.gov/city-services/purchasing/>. Written requests for clarification shall be submitted to the Procurement Manager by email to brentmorelock@kingsporttn.gov.

It shall be the Proposer's responsibility to make inquiry as to the addenda issued. Any and all addenda shall become part of the specifications and all Proposers shall be bound by such addenda, whether or not received by Proposer.

General Terms and Conditions

- A. Taxes – The City is exempted from Federal Excise Taxes, State of Tennessee and local sales taxes and Proposer must quote prices which do not include such taxes, unless by law the taxes must be a part of the price. Exemption Certificates will be furnished upon request.
- B. Indemnification – The City of Kingsport, its officers, agents and employees shall be held harmless from liability from any claims, damages and actions of any nature arising from the use of any service and/or materials furnished by the Proposer, provided that such liability is not attributable to negligence on the part of the using agency of failure of the using agency to use the materials in the manner outlined by the Proposer in descriptive literature or specifications submitted with the Proposal. The City will not indemnify the successful Proposer.
- C. Patent Liability – The successful Proposer, at his own expense, will defend any suit which may be brought against the City to the extent that it is based on a claim that the goods

furnished through a contract/agreement infringes a United States patent, and in any such suit will pay those costs and damages which are attributable to such claims and finally awarded against the City.

- D. Limitation of Remedies – Any remedies in the Proposer's Proposal, to include Agreement, License Product Agreement, Terms and Conditions, Literature, etc., that may be considered in agreement to waive the legal rights of the citizens of the City of Kingsport may be considered cause for rejection.
- E. All agreements related to the purchase and sale of any product pursuant to this bid document will include the following conditions: "Notwithstanding anything in this section to the contrary, any provision of provisions of this Section will not apply to the extent they are (it is) finally determined by a court of competent jurisdiction, including Appellate review if pursued, to violate the laws or Constitution of the State of Tennessee."
- F. Insurance – During any work performed by the successful Proposer(s) on the premises of the City or otherwise, the successful Proposer(s) agrees to take such measures as to effectually prevent any accident to persons or property during or in connection with the work; and especially to indemnify and save harmless the City from all loss, costs, damages, expense and liability for property damage and for bodily injuries to, or death of, any persons, including without limitation, as to both property damage and bodily injury, and the Proposer and the City and their representative agents and employees, occasioned in any way by the acts or omissions of the Proposer, or the Proposer's agents, employees, during or in connection with said work, excepting only property damage, bodily injury or death caused by the sole negligence of the City, its agents or employees.

The successful Proposer shall maintain such insurance as will protect it from claims under Workers' Compensation Acts and from any claims for bodily injuries, including death, either to its employees or others, and from all claims on account of property damage, which may arise in connection from said work.

All Certificates of insurance and policies shall contain the following clause: "The insurance covered by this Certificate will not be canceled or materially altered, except after thirty (30) days written notice has been received by the City."

Insurance required with a minimum of One Million Dollars (\$1,000,000.00) limits are Comprehensive General Public and Professional Liability, Comprehensive Automobile Liability and Owner's Liability. Malpractice Insurance is required with a minimum limit of One Million Dollars (\$1,000,000.00) per occurrence, Five Million Dollars (\$5,000,000.00) aggregate.

This requirement will be effective for the life of any contract/agreement entered into by the Proposer and the City.

- G. F.O.B. – All prices will be quoted F.O.B. Kingsport, Tennessee, delivery to City of Kingsport's location shall be without additional charge.
- H. By submission of a signed Proposal, the Proposer certifies total compliance with Title VI and Title VII of the Civil Rights Act of 1964, as amended, and all regulations promulgated thereunder.
- I. Contracts and purchases will be made or entered into with the lowest, responsible, compliant Proposer meeting specifications for the particular grade or class of material, work or service desired in the best interest and advantage to the City of Kingsport. Responsible Proposer is defined as a Proposer whose reputation, past performance, and business and financial

capabilities are such that he would be judged by the appropriate City authority to be capable of satisfying the City's needs for a specific contract or purchase order.

- J. The City reserves the right to determine the low Proposer either on the basis of the individual items or on the basis of all items included in its Request for Proposal, unless otherwise expressly provided in the Request for Proposal. The City reserves the right to accept any item or group of items of any kind and to modify or cancel in whole or in part, its Request for Proposal.
- K. All contracts or purchase orders issued for this award will be governed by the laws of the State of Tennessee. Arbitration is not permitted and if a dispute arises between the parties concerning any aspect of the contract or purchase order and it cannot be resolved by mutual agreement, any party may resort to resolution of the dispute by litigation in the state or federal courts for Kingsport, Sullivan County, Tennessee. The parties waive their right to a jury trial. Mandatory and exclusive venue and jurisdiction for any disputes shall be in state or federal courts for Kingsport, Sullivan County, Tennessee.
- L. The City, in accordance with its governing directives, reserves the right to reject any and all Proposals, to waive any informality or irregularities in Proposals and unless otherwise specified by the Proposer, to accept any item.
- M. All contracts, purchase orders, and any documents or material obtained by the City may be subject to disclosure in whole or in part pursuant to the Tennessee Open Records Act set out in T.C.A. 10-7-503 et seq. without regard to any provision contained in the document declaring information confidential.
- N. All contracts or purchase orders will include a provision that is not assignable by the Proposer without the written consent of the City.
- O. CONFLICT OF INTEREST:
 - 1. No Board Member or officer of the City of Kingsport or other person whose duty it is to vote for, let out, overlook or in any manner superintend any of the work for the City of Kingsport has a direct interest in the award of the vendor providing goods or services.
 - 2. No employee, officer or agent of the grantee or sub-grantee will participate in selection, or in the award or administration of an award supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when the employee, officer or agent, any member of their immediate family, his or her partner, or an organization, which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.
 - 3. The grantee's or sub-grantees officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from vendors, potential vendors, or parties to sub-agreements.
 - 4. By submission of this proposal, the vendor is certifying that no conflicts of interest exist.
- P. DRUG FREE WORKPLACE REQUIREMENTS:
 - 1. Private employers with five or more employees desiring to contract for construction services attest that they have a drug free workplace program in effect in accordance with TCA 50-9-112.

Q. ELIGIBILITY:

1. The vendor is eligible for employment on public contracts because no convictions or guilty pleas or pleas of nolo contendere to violations of the Sherman Anti-Trust Act, mail fraud or state criminal violations with an award from the State of Tennessee or any political subdivision thereof have occurred.

R. GENERAL:

1. Vendor fully understands the preparation and contents of the attached offer and of all pertinent circumstances respecting such offer.
2. Such offer is genuine and is not a collusive or sham offer.

S. IRAN DIVESTMENT ACT:

1. Concerning the Iran Divestment Act (TCA 12-12-101 et seq.), by submission of this bid/quote/proposal, each vendor and each person signing on behalf of any vendor certifies, and in the case of a joint bid/quote/proposal, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each vendor is not on the list created pursuant to § 12-12-106.

T. NON-COLLUSION:

1. Neither the said vendor nor any of its officers, partners, owners, agents, representatives, employees or parties interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any other responder, firm, or person to submit a collusive or sham offer in connection with the award or agreement for which the attached offer has been submitted or to refrain from making an offer in connection with such award or agreement, or collusion or communication or conference with any other firm, or, to fix any overhead, profit, or cost element of the offer price or the offer price of any other firm, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against the City of Kingsport or any person interested in the proposed award or agreement.
2. The price or prices quoted in the attached offer are fair, proper and not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the firm or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

U. BACKGROUND CHECK REQUIREMENT FOR SCHOOL SYSTEM SUPPLIERS:

3. In submitting this bid/quote/proposal, you are certifying that you are aware of the requirements imposed by TCA § 49-5-413 (d) to conduct criminal background checks through the Tennessee Bureau of Investigation and the Federal Bureau of Investigation on yourself and any of your employees who may come in direct contact with students or who may come on or about school property anytime students are present. You are further certifying that at no time will you ever permit any individual who has committed a sexual offense or who is a registered sex offender to come in direct contact with children or to come on or about school property while students are present.



CITY OF KINGSPORT TENNESSEE

REQUEST FOR PROPOSALS

Merchant Account Processing Services For eTrak-Plus Software Application

GENERAL INFORMATION:

The City of Kingsport Tennessee (the City) currently uses fourteen (14) different Merchant Services Accounts referred to as a MIDs (Merchant ID's) in the various Divisions of the Leisure Services Department and the Kingsport Area Transit System Department (KATS). The City has a different MID for each location that takes credit/debit card payments. These Merchant Services Accounts are specific to the eTrak-Plus Software System. Currently, Elavon, Inc., is the Merchant Services Provider for all of merchant accounts processed through the eTrak-Plus System.

The City is seeking proposals from qualified vendors to provide Merchant Account Processing Services for the fourteen (14) Merchant Accounts previously mentioned. Vendors who wish to submit a proposal must be PCI compliant and have an Application Programming Interface (API) that is adaptable to the eTrak-Plus software. Successful vendors will be responsible for the programming costs associated with establishing a working API with the eTrak-Plus software and provide suitable documentation that they are PCI compliant.

THE OBJECTIVE IS TO OBTAIN A MERCHANT SERVICES PROVIDER, WHICH CAN INTERFACE DIRECTLY WITH THE CITY'S ETRAK-PLUS SOFTWARE APPLICATION TO PROCESS CREDIT / DEBIT CARD TRANSACTIONS FOR BOTH OVER THE COUNTER (OTC) AND ONLINE TRANSACTIONS.

Sales dollars and transaction counts follow, for each of the fourteen (14) merchant accounts for the calendar year 2019. The online merchant account, Kingsport Leisure Services Online, will have a flat rate \$3.00 Convenience Fee assessed for all online transactions.

Currently, all transactions are settled and deposited to the City's bank account at midnight each night and are deposited "gross". Currently, merchant processing and interchange fees are deducted directly from the City's bank account the first week of the following month.

REQUIREMENTS:

- Receipts must be deposited daily to the City of Kingsport's bank account held at First Horizon Bank.
- Deposits must be made by individual merchant account (MID).
- Merchant Processor must deposit gross receipts and all convenience fees to the City of Kingsport.
- All convenience fees are set by City of Kingsport.
- All fees are revenue to and kept by the City of Kingsport.
- Merchant service fees must be deducted monthly from City's bank account.
- Merchant service fees must be deducted by individual merchant account (MID).
- City must have access to a website application for deposit detail by merchant account number, date, type of card and last 4 card digits.
- City prefers a list that includes customer name and last 4 digits of account number.
- City needs ability to manage transactions through the website application, if needed.
- Any transaction limits will be set by the City of Kingsport.

- Merchant Processor should support card payment types; Mastercard, VISA, Discover and American Express.
- Merchant Processor must have an API with eTrak-Plus software and bear any programming costs associated with developing an appropriate, working API.
- Merchant Processor must provide a timeline for conversion that is completed on, or before 11/30/2020.
- Merchant Processor must provide specifications and pricing for any required point of sale equipment and said equipment must be compatible with the eTrak-Plus software.
- Merchant Processor should have been in the designated line of business a minimum of 5 years and have a strong history of providing integrated merchant services payment processing.
- Merchant Processor should provide a minimum of 5 references, preferably local government clients.
- Merchant Processor must provide payment information in real-time to post against the charges and fees generated by the eTrak-Plus software.
- Merchant Processor must provide a seamless integration into the City's eTrak-Plus software.
- Merchant Processor should support EMV card types.
- Merchant Processor must be a Level 1 PCI DSS Compliant Service Provider and provide proper documentation.
- Merchant Processor should provide guidance and support for the City of Kingsport to achieve PCI compliance.

CITY OF KINGSFORT TENNESSEE MERCHANT ACCOUNT DATA - CALENDAR YEAR 2019 eTrak-Plus Software System			
CURRENT MERCHANT NUMBER	D/B/A MERCHANT NAME	TRANSACTION COUNT	SALES AMOUNT
8023425393	KINGSFORT AQUATIC CENTER	22,370	\$442,579.07
8023553095	KINGSFORT PARKS AND RECREATION	594	22,185.00
8023553152	KINGSFORT V O DOBBINS COMM CNTR	175	14,723.50
8023553178	KINGSFORT ALLANDALE MANSION	42	15,145.25
8023553210	KINGSFORT LYNN VIEW COMMUNITY CTR	0	0.00
8023553236	KINGSFORT DOMTAR PARK	4,081	19,071.80
8023553251	KINGSFORT BAYS MT PARK AND PLANT	4,351	54,378.01
8023553277	KINGSFORT SENIOR CENTER	1,017	125,128.95
8023553285	KINGSFORT SENIOR CENTER LYNN VIEW	57	2,582.62
8023553301	KINGSFORT OFFICE OF CULTURAL ART	167	20,934.00
8023553418	KINGSFORT LEISURE SRVCS ONLINE	1,362	100,650.17
8028682121	KINGSFORT BRICKYARD PARK	1,768	7,056.03
8029354282	KINGSFORT AREA TRANSIT SERVICE	517	12,076.00
8032858410	KINGSFORT FARMERS MARKET	6	106.00
TOTAL		36,507	\$836,616.40