RESOLUTION NO. 11-446

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, APPROVING THE ATTACHED CONTRACT FOR MERCHANT SERVICES BETWEEN THE CITY OF KEY WEST AND FIRST STATE BANK OF THE FLORIDA KEYS; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in Resolution No. 11-111, the City Commission ranked responses to RFQ 002-11 for Merchant Services, and authorized City staff to negotiate an agreement with First State Bank, the top-ranked company;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AS FOLLOWS:

Section 1: That the attached Agreement for Merchant Services is hereby approved between the City and First State Bank of the Florida Keys.

Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this 17 day of May, 2011.

Authenticated by the Presiding Officer and Clerk of the Commission on 18 day of May, 2011.

Filed with the Clerk on May 18, 2011

CRAIG CATES, MAYOR

ATTEST:

CHERYL SMITH, CITY CLERK

CONTRACT

THIS CONTRACT is made and entered into this 4th day of May 2011, ~~May 2010,~~ by and between the **CITY OF KEY WEST**, a municipal corporation, with an address of P.O. Box 1409, Key West, Florida 33041, hereinafter referred to as the "CITY", and **FIRST STATE BANK OF THE FLORIDA KEYS, a Florida corporation,** with an address of 1201 Simonton Street, Key West, Florida, 33040, hereinafter referred to as "FSB".

WHEREAS, CITY issued Request for Proposals 002-11 for merchant services, a copy of which is attached hereto, incorporated by reference, and is more particularly described as Exhibit A; and

WHEREAS, FSB submitted a response dated December 21, 2010, to Request for Proposals 002-11 to provide the services to the CITY, a copy of which is attached hereto, incorporated by reference ; and is more particularly described as Exhibit B; and

WHEREAS, FSB is capable of providing the services requested by the proposal and is in the business of providing these services; and

WHEREAS, CITY desires to engage FSB to provide the services specified herein, and those listed in the FSB Proposal (Exhibit B) , dated December 21, 2010.

NOW, THEREFORE, the parties hereto mutually agree as follows:

SECTION 1. RECITALS

The parties agree that the foregoing recitals are true and correct and are incorporated herein by this reference.

SECTION 2. SCOPE OF SERVICES AND PROJECT COORDINATOR

2.1 The CITY engages FSB to perform those services described in the CITY's Request for Proposals 002-11 (Exhibit "A") scope of services, in accordance with FSB's response dated December 21, 2010 to RFP 002-11 (Exhibit B).

SECTION 3. COMPENSATION; TERMS OF PAYMENT

3.1 The CITY and FSB agree that compensation shall be paid according to the terms and conditions contained in FSB's response dated December 21, 2010 to Request for Proposals 002-11 (Exhibit "B"). Specifically, monthly fees for each merchant services account will be drawn monthly from the City's pooled cash account with FSB.

SECTION 4. TERM

4.1 This Contract is for a period of three years commencing on the 4th day May, 2011, and ending on the 4th day of May 2014. The CITY shall have the option to renew with two (2) one-year extensions upon the same terms and conditions as contained in the initial term..

SECTION 5. TERMINATION AND REMEDIES

5.1 The CITY may terminate this Contract with or without cause by giving FSB written notice at any time. CITY shall be liable for all fees incurred up to the date of the notice. If the CITY does not provide such a notice, it will be obliged to pay all fees for work done and for other charges incurred pursuant to the terms and conditions contained herein. This Contract shall also terminate upon the filing of any petition for bankruptcy or insolvency proceeding regarding FSB.

5.2 Except as otherwise provided in Paragraph 3. above, FSB may terminate this Contract and stop performance hereunder if, after five (5) days written notice to CITY,

a. CITY or its duly authorized agents do not comply with this Contract;
b. CITY forms the opinion, on reasonable grounds, that mutual confidence and trust do not exist between both parties; or
c. FSB believes on reasonable grounds that, by continuing to act for CITY, it may breach the professional conduct rules which are binding upon professionals in the maritime industry.

SECTION 6. INDEMNIFICATION

6.1 FSB shall indemnify and hold harmless the CITY, its officers and employees, from liabilities, property damage, losses, personal injuries, and costs, including, but not limited to reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of CONSULTANT, its employees or agents, in the performance of this Agreement.

SECTION 7. INSURANCE

7.1 FSB will maintain throughout this Contraxct following insurance:

Worker's compensation and employer's liability insurance as defined the the Florida Statutes.

Comprehensive automobile and vehicle liability insurance covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including onsite and offsite operations, and owned, non-owned, or hired vehicles, with $1,000,000 combined single limit.

Commercial general liability (including completed operations coverage) insurance covering claims for injuries to members of the public or damage to property of

others arising out of any covered negligent act or omission of FSB or of any of its employees, agents, or subcontractors, with $1,000,000.00 (combined single limit) per occurrence and $2,000,000.00 general aggregate coverage.

Professional liability insurance in an amount not less than $500,000.00 per occurrence and $1,000,000.00 aggregate.

CITY will be named as an additional insured with respect to FSB's liabilities hereunder in insurance coverages and FSB waives subrogation against CITY as to said policies. Any subcontractor shall be covered as provided for herein above, and shall furnish certificates of coverage acceptable to the CITY before commencing work.

SECTION 8. NOTICES

Notices, requests, or authorizations provided for herein shall be in writing and shall be delivered or mailed addressed as follows:

To the CITY:	City of Key West	
	Attention:	City Manager James K. Scholl
		City Attorney Shawn D. Smith
		P.O. Box 1409
		Key West, FL 33041
To FSB:	FSB	
	Attention:	Doria Goodrich
		Vice President
		1201 Simonton St
		Key West, FL 33040

or addressed to either party at such other address as such party shall hereinafter furnish to the other party in writing. Each such notice, request, or authorization shall be deemed to have been duly given when so delivered, or, if mailed, when deposited in the U. S. mail, registered or certified, return receipt requested, postage prepaid.

SECTION 9. NON-ASSIGNMENT

This Contract is an exclusive agreement for Services and may not be assigned in whole or in part without the written approval of the CITY.

SECTION 10. SEVERABILITY AND CHOICE OF VENUE

This Contract shall be construed in accordance with the laws of the State of Florida. Wherever possible, each provision of this Contract shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Contract shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Contract. Any action in connection herewith, in law or equity, shall be brought in Monroe County, Florida.

SECTION 11. NO THIRD PARTY RIGHTS

The parties hereto do not intend nor shall this Contract be construed to grant any rights, privileges or interest to any third party.

SECTION 12. JURY TRIAL WAIVER

As consideration of this Contract, the parties hereby waive trial by jury in any action or proceeding brought by any party against another party pertaining to any matter whatsoever arising out of or in any way connected with this Contract.

SECTION 13. MISCELLANEOUS PROVISIONS

Failure of any party to insist upon strict compliance with any provision of this or any other agreement between the parties shall not constitute a waiver of the right to immediately enforce compliance with that provision or any other provision of such agreements. The parties hereto acknowledge that they have read, understand and have had the opportunity to be advised by legal counsel as to each and every one of the terms, conditions, restrictions and effect of all of the provisions of this Contract, and each agrees to the enforcement of any and all of these provisions and executes this Contract with full knowledge of these provisions. Should any provision of this Contract require judicial interpretation, it is agreed that the court interpreting or construing the provision shall not apply a presumption that the terms hereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent prepared the document. Should any party be required to seek judicial relief regarding the terms and conditions of this agreement, the non-breaching party shall be entitle to recover all reasonable attorneys' fees and costs in such proceeding(s).

SECTION 14 COUNTERPARTS/FACSIMILE

This Contract may be executed in any number of counterparts each of which, when executed and delivered, shall be deemed to be an original with all the counterparts constituting but one and the same instrument. Additionally, facsimile signature shall bind the undersigned. The individuals executing this document warrant and represent they have full authority to do so on behalf of the parties named herein.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed on the day and year indicated below and shall become effective upon the signature of the last party to the Contract.

Signed, sealed and delivered in the presence of:

City of Key West, Florida

Attest: _____ By: _____

Cheryl Smith

Jim Scholl, City Manager

City Clerk

Witness Kerry S Haolas

Witness

First State Bank of the Florida Keys

BY:

As its EVP - Personal Banking and Corporate Secretary

MEMORANDUM

TO: Mark Z. Finigan, Assistant City Manager

FROM: Roger D. Wittenberg, Finance Director

DATE: May 3, 2011

SUBJECT: City of Key West Request for Proposals (RFP) #002-11 Merchant Services Contract Approval

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ACTION STATEMENT:

Purpose of this resolution is to authorize the City Manager to execute a contract between the City of Key West and First State Bank of the Florida Keys for the purpose of providing Merchant Services to the City of Key West.

At a commission meeting on April 5th, the Commission ranked the Proposals received to provide Merchant Services in the following order.

1. **First State Bank**
2. **eGov Strategies**
3. **Premier Payment Systems**

The resolution authorized the City Manager to negotiate a contract in accordance with the accepted proposals with the top ranked firm and each firm thereafter as necessary until an acceptable contract is brought before the Commission.

Attached is that contract with the top ranked firm for Commission approval.

Approval of the attached contract will result in savings to the City of approximately $50,000 annually.

Exhibit A

OFFICE MEMORANDUM

TO: JIM SCHOLL, CITY MANAGER

FR: S. SNIDER, PURCHASING AGENT

DA: OCTOBER 1, 2010

RE: RFP # 010-10 – Merchant Services

Please find attached RFP # 010-10 – Merchant Services. The attached information will be posted on DemandStar as well as published in the Key West Citizen at least ten (10) days prior to opening.

Specifications were provided by the Finance Director.

Please review and initial below indicating your approval, disapproval or comments.

WITTENBERG	___ APPROVED	___ DISAPPROVED	___ SEE COMMENTS
McLAUCHLIN	___ APPROVED	___ DISAPPROVED	___ SEE COMMENTS
WALKER	___ APPROVED	___ DISAPPROVED	___ SEE COMMENTS
FINIGAN	___ APPROVED	___ DISAPPROVED	___ SEE COMMENTS
FERNANDEZ	___ APPROVED	___ DISAPPROVED	___ SEE COMMENTS
SCHOLL	___ APPROVED	___ DISAPPROVED	___ SEE COMMENTS
SMITH	___ APPROVED	___ DISAPPROVED	___ SEE COMMENTS

/ses

, 2010

To: All Prospective Proposers

City of Key West RFP #010-10 – Merchant Services contains the following documents:

a. Cover letter one (1) page in length
b. Proposal twenty (20) pages in length
c. Required permit/license one (1) page in length
d. Anti-Kickback Affidavit one (1) page in length
e. Local Vendor Certification one (1) page in length
f. Entity Crimes Statement three (3) pages in length
g. Call for Proposals one (1) page in length

Please review your proposal package to ensure it contains all of these documents. If not, contact Sue Snider, City of Key West Purchasing Agent at (305) 809-3815, immediately, to obtain copies of any missing document(s).

Proposers submitting proposals should ensure that the following documents are completed, certified, and returned as instructed: Anti-Kickback Affidavit, Public Entity Crimes Certification, Copy of Current Occupational License, and Local Vendor Certification, if applicable.

SUBJECT:	RFP#010-10 MERCHANT SERVICES
ISSUE DATE:	TO BE SET
MAIL PROPOSALS TO:	CITY CLERK CITY OF KEY WEST 525 ANGELA STREET KEY WEST, FL 33040
DELIVER PROPOSALS TO:	SAME AS ABOVE
PROPOSALS MUST BE RECEIVED:	TO BE SET
NOT LATER THAN:	P.M.

SUE SNIDER
PURCHASING AGENT
CITY OF KEY WEST

ses

Enclosures

REQUEST FOR PROPOSAL (RFP) #010-10

City of Key West
P.O. Box 1409
525 Angela St.
Key West, Fl. 33031

I. INTRODUCTION

The City of Key is requesting proposals from eligible and qualified firms, authorized to do business in the State of Florida to provide Merchant Services to various departments within the City of Key West, Florida (the City.") The services provided will be in accordance with the Request for Proposal (the RFP").

This RFP is intended to serve as the proposal form for the Merchant Services agreement. There are several blanks to fill in and questions to be answered. The evaluation of the proposer's proposal will be based on these responses. The RFP also requests certain information to be attached and specifically labeled. Proposals must be complete, address all aspects of the RFP, and include all requested information to receive full consideration by the City in the selection process.

The City desires to enter into a contract of mutual party benefit and will be happy to answer all questions pertaining to this RFP. All questions regarding this RFP should be directed by e-mail to Roger Wittenberg Finance Director, at rwittenb@keywestcity.com. Questions and answers will be published as an addendum on Demand Star and made available to all proposers of record. Questions will be answered every Monday until the deadline.

II. TIMELINE

The City anticipates the following calendar of events:

TARGET DATE (2010/2011)	DISCRIPTION OF EVENTS
Friday, October 22	Issue RFP post on Demand Star
Wednesday, November 10	Deadline for written question and clarifications
Friday, November 19	Receive proposals
Week of December 6 -10	Selection committee meeting
Tuesday, January 18	Commission consideration for award
Tuesday, February 15	Contract Signed Begin implementation
Friday, April 1,	Implementation

III. BACKGROUND

The City has provided the option to pay by credit card for some time now, Visa, MasterCard, American Express and Discover, at various locations throughout the City. Over the past few years credit card transactions have averaged 2,000 – 4,000 per month in total from the various locations.

In the past year in an effort to save on personnel costs the city owned parking lots have gone from a manned pay station to an unattended pay and display station. At the same time, the city has been replacing its parking meters with pay stations that service entire blocks.

As a result of these changes the city has begun to incur an additional 17,000 small sale transactions per month.

The city currently has 27 CALE machines and anticipates replacing an AMANO machine currently at the Park-n-Ride with 2- 4 CALE's prior to awarding of this RFP. During the next fiscal year the City plans on adding 15 more and periodically thereafter as needed.

III. CRITERIA FOR EVALUATION AND SELECTION

All complete and responsive proposals will be evaluated by the Selection Committee comprised of the Finance Director, the Deputy Finance Director, the Director of IT, and a representative of Public Financial Management (PFM) at a publicly noticed meeting. The evaluation of the proposals will be made based on the following criteria:

- Ability to perform and provide the required services; 30 pts
- Completeness of proposal and agreement to scope of services outlined in the RFP; 10pts
- Discount rates, service fees, rental fess and any other fees; 35 pts
- Settlement: timeliness of credits issued to depository bank; and, 10 pts
- Equipment: state of the art, ability to integrate with other City software systems. 10 pts
- References 5pts

The City of Key West reserves the right to ask questions, seek clarification of any or all Proposers as part of its evaluation. Only the three (3) highest rated Proposals as determined by the Selection Committee will go forward to the City Commission in ranked order. Final award will be made by the City Commission, based solely on that response which, in their opinion, is in the best interest of the City of Key West, all factors considered, irrespective of the Selection Committee ranking.

IV. SCOPE OF SERVICES

A. Scope: The successful Proposer will furnish credit card services to the City for a period of three (3) years with an option to renew with two (2) one-year extensions. All terms and conditions shall remain the same during the contract period and any subsequent renewals.

B. Transaction Fees: Proposals shall be based on the transaction/convenience fees to be charged to the City/City customer for processing VISA, MasterCard, Discover, and American Express credit cards as well as debit cards. All interchange dues, assessments and any other fees levied by VISA/MC, AMEX & Discover should be considered/treated as direct pass-through to the City, except in the case of convenience fee billing proposals.

C. Service locations: Currently the City has two types of service locations. These service locations each comprise a merchant account. The City also wishes to collect charges on-line sometime in the near future.

1) The City currently has the following service locations/accounts for walk-in or phone in point of sale transactions.

- Parking Department – has one swipe terminal used for paying parking tickets
- Building Department – has one swipe terminal used for paying building permits and occupational licenses
- Revenue Department – has one swipe terminal used for paying all types of city charges, the most prevalent being utility payments that account for 95% of all transactions.
- Key West Bight Marina Dock – has one swipe terminal at the dock masters office for fuel sales, supplies and rent payments.
- Key West Bight Marina Office – has one swipe terminal in the office for rents and misc payments.
- Garrison Bight Marina – has one swipe terminal at the office for rent, parking and ramp fee payments
- Transfer Station – has one swipe terminal for payment of dumping charges

2) The City has the following service location/accounts for the payment of parking space charges.

- Key West Bight Parking – has 3 unattended pay stations for parking spaces.
- Park-N-Ride – has 3 (see appendix 4) unattended pay station for parking spaces.
- City Parking – has 24 unattended pay stations in parking lots and on city streets throughout the city.

E. Equipment and Access: Currently the City leases all of its swipe terminals. The City purchases and maintains all of its unattended parking pay stations. All pay stations are manufactured by CALE. (See Appendix 3 for type of equipment.) At the current time the City does not process payments through the internet however, the Vendor must have capability to integrate with City's software and website. Please propose the equipment that will be necessary to process these transactions and the related costs

F. Credit Card Service: The ability to process VISA, MasterCard, American Express, and Discover credit cards is required.

G. Supplies: The Credit Card Services Provider will furnish to the City all necessary supplies to process transactions. One-part and two-part paper for use in terminals and printers are required. Please provide any costs associated with supplies that will be charged to the City.

H. History and Reports: The following examples are either provided herein or available from the City regarding transaction history: 1.) Credit Card Usage – A summary of credit card transactions reflecting gross volume and net sales for September, 2009 to March, 2010. 2.) A sample page from a monthly statement may be requested by contacting the Purchasing Division. The sample monthly statement represents the type of reporting the Credit Card Services Provider shall submit to the City. 3.) In addition to the above reports, daily detailed reports may be requested on an as-needed basis.

I. Implementation: Credit card services must be installed, training completed, and the system ready to go live in accordance with the proposed timeline.

J. On-Line Transactions: The City uses Sungard (HTE), public sector software to provide all the modules necessary to run the City. Sungard uses a software application called Click to Gov to provide on line payment access. Although the City does not currently use this application it plans on implementing the parking ticket and utility payment portions of this application in the near future. The ability to process online transactions is required.

K. Settlement: The City will maintain a bank account in their Depository Bank. Currently, this account is at First State Bank of the Florida Keys, Key West, Florida. The City requires that an Automated Clearing House (ACH) credit or debit be made to the settlement account at the designated depository bank.

L. Credits and Adjustments: Credit to a cardholder will be issued through the point-of sale terminals or third party software vendors.

M. Fees: The Merchant Services Provider will invoice the City monthly for fees as established in the Schedule of Charges furnished herein. This invoice statement should reflect daily summary activity, total sales, number of transactions and all transaction costs and fees associated with the credit records processed. The invoice can be mailed and a check processed from the City, or an ACH payment can be initiated to pay the monthly billing.

N. Reports: The City requires access to daily activity reports for each merchant ID/ Terminal ID in addition to the monthly summary activity reports and invoices. The City also requires on-line access to all activity through secure internet access.

O. Charge-Back Procedures: The City requires notification by email to the City's Finance department designee regarding items to be processed as charge-backs.

P. Data Security: Service providers must agree to properly dispose of sensitive cardholder data when no longer needed. The service provider must continue to treat cardholder data confidential upon contract termination and must provide the City with documentation showing PCI Data Security certification has been achieved. All failures to comply with PCI Data Security requirements must be reported to the City immediately along with a timeline for corrective action.

Q. INSURANCE

Prior to the execution of any contract, the City of Key West requires that any awarded contractor must provide to the City a certificate of insurance (Accord or other approved format) naming the City of Key West as additional insured, for the following:

* General liability (including completed operations coverage) in the amounts of $1,000,000 (combined single limit) Bodily Injury/Property Damage coverage per occurrence, and $2,000,000 general aggregate coverage.
* Automobile Liability in the amount of $1,000,000 (combined single limit), Property Damage and Bodily Injury coverage.
* Professional Liability, in an amount not less than $500,000.00 per occurrence and $1,000,000.00 aggregate.
* Worker's Compensation as defined in the Florida General Statutes.

Any subcontractor to a contracted firm shall be likewise covered, and shall furnish certificates of coverage acceptable to the City before starting work.

V. PROPOSAL INSTRUCTION AND FORMAT

The proposal shall include each of the following:

A. A TRANSMITTAL LETTER signed by the appropriate officer of the firm offering the proposal and certifying that the proposal and any cost projections included will remain in effect for 90 days.

B. APPENDIX 1 Proposers qualifications - Consists of 6 parts, the response to each part should be Labeled "Attachment *(Question #)* – *(Question descriptions)*" and attached to the transmittal letter

C. APPENDIX 2 References – Please provide four (4). Use forms and format provided. If sufficient space does not exist insert blank page and continue

D. APPENDIX 3 Costs – Please fill in cost information as applicable using forms and format provided.

E. APPENDIX 4 EQUIPMENT – For informational purposes.

F. CITY'S FORMS
Proposer shall complete and return all City forms and any other forms included in this RFP. Omission of any of these forms may result in the disqualification of the offer.

G. ADDENDA
If it becomes necessary to revise any part of this request or if additional data is necessary to enable interpretation of provisions of these document revisions, answers to questions asked, and/or addenda will be provided to all prospective firms who received this document through Demand Star or by directly contacting the City's project manager

Those plan holders of record in Demand Star will be provided these documents via Demand Star. Those plan holders that obtained this RFP by contacting the City will be notified by email.

H. SUBMISSION
An original and four (4) copies of Proposal are required, as well as one copy via compact disk or USB drive in pdf or similar standard readable format.

APPENDIX 1
PROPOSER'S QUALIFICATION

1. Provide a brief overview of your company including the following:
   - The name and location of your company, including the office location that will be serving the City.
   - A brief description of your business.
   - The number of years your company has been in business
   - Is your company a subsidiary of another corporation? If so, what is the name of the parent company?
   - The number of staff dedicated to provide requested service.

   (Label "Attachment 1 – Overview")

2. Merchant proposer must be able to provide beginning to end merchant services, including equipment/software, credit and charge transaction authorization, routing and settlement for all major credit and debit cards. Describe this process and identify any joint venture or affiliated relationships required to complete the processing of the transaction. (Attach to proposal), (Label "Attachment 2 – Process").

3. Describe your customer support function. Including hours of operations, phone numbers, after hours and weekend availability, reaction time, service location, local contact etc. Describe the process and proposed time line if a terminal went down during the weekday and if it went down during a weekend or after hours. (Attach to proposal), (Label "Attachment 3 – Customer Service")

4. Please provide a sample Merchant Statement and explain how the City would resolve any differences between internal deposits records and the Merchant Account Statement i.e. (where and who would the city call, documentation required, etc.). (Attach to Proposal), (Label "Attachment 4 – Merchant Statement").

APPENDIX 1
PROPOSER'S QUALIFICATION

5. Please indicate any exceptions or concerns taken to **IV. SCOPE OF SERVICES** (above). (Label "Attachment 5 – Exception to Scope").

6. Please provide an implementation timeline once a contract has been signed. (Label "Attachment 6 – Implementation Timeline").

APPENDIX 2
REFERENCES

Please list four management-level contacts from government or large credit card accounts.

Reference 1

Name of Account: _____

Phone number _____ Name of contact _____

Title _____ Email: _____

Installation Date _____ Duration of project _____

Scope of work completed _____

APPENDIX 2
REFERENCES

Reference 2
Name of Account_____

Phone number _____ Name of contact _____

Title _____ Email: _____

Installation Date _____ Duration of project _____

Scope of work completed _____

APPENDIX 2
REFERENCES

Reference 3

Name of Account_____

Phone number _____ Name of contact _____

Title _____ Email: _____

Installation Date _____ Duration of project _____

Scope of work completed _____

APPENDIX 2
REFERENCES

Reference 4

Name of Account _____

Phone number _____ Name of contact _____

Title _____ Email: _____

Installation Date _____ Duration of project _____

Scope of work completed _____

APPENDIX 3
COSTS

One-Time Fees:

Fee Description	One Time Costs
Software	
Software Upgrades	
Merchant Application Fee	
Setup Fee by Processor	
Internal Control and Procedures Review	
Initial Training – onsite	
Additional Training – telephone or written training	
Other:	

Product Fees: (See Appendix 3 for type of Equipment.)

Product	Model	Rental per Month	Purchase per Devise
Terminal (Attach type)			
Printer (Attach type)			
PIN Pad (Attach type)			
Check Reader-Imager			
Imprinter			
Electronic Check Svs. Fee			
On-line Reporting (Monthly Fee/User ID)			
Wireless Equipment:			
Supplies			
Other:			

APPENDIX 3
COSTS

Monthly Fees: Required per Merchant Account

Fee Description (fees paid to Merchant)	Per Item Cost	Monthly Cost
Account Fee		
Technical Support		
Monthly Statement		
Security Coverage		
Minimum Transaction Volume		
Transaction/Network Access		
Other:		

List All Additional Fees Required to Process Payment Made On-Line through the City website

Fee Description (fees paid to Merchant)	Per Item Cost	Monthly Cost
Charge Backs		
Other:		

Settlement:
Provide applicable period for deposits to City's bank accounts, i.e., 24 hours, 36 hours, 48 hours, 72 hours:

_____

_____

APPENDIX 3
COSTS
CITY OF KEY WEST CREDIT CARD TRANSACTIONS
By MERCHANT STATEMENT
VOLUMES BASED ON JUNE 2010

The City would like you to include only your cost and any per transaction fee over and above the interchange/pass through fee in the City column. The City would expect any cost in the City Customer column (convenience fee) be an all inclusive cost including all interchange fees.

Department/ Payment Type / Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Revenue Department / Utility Payments / One swipe terminal			
Visa			
Sales # Transactions	370		
Sales $ Amount	$60,063.89		
MasterCard			
Sales # Transactions	202		
Sales $ Amount	$40,604.88		
American Express			
Sales # Transactions	119		
Sales $ Amount	$29,758.35		
Discover Card			
Sales # Transactions	8		
Sales $ Amount	$1,412.80		

Department/ Payment Type / Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Parking Department / Ticket Payments / One swipe terminal			
Visa			
Sales # Transactions	307		
Sales $ Amount	$11,625.50		
MasterCard			
Sales # Transactions	108		
Sales $ Amount	$5,756.25		
American Express			
Sales # Transactions	38		
Sales $ Amount	$2,282.10		
Discover Card			
Sales # Transactions	12		
Sales $ Amount	$3,445.00		

APPENDIX 3
COSTS
CITY OF KEY WEST CREDIT CARD TRANSACTIONS
By MERCHANT STATEMENT
VOLUMES BASED ON JUNE 2010

Department/ Payment Type / Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Building Department / Permit Payments / One swipe terminal			
Visa			
Sales # Transactions	75		
Sales $ Amount	$8,621.94		
MasterCard			
Sales # Transactions	25		
Sales $ Amount	$11,352.73		
American Express			
Sales # Transactions	38		
Sales $ Amount	$7,926.45		
Discover Card			
Sales # Transactions			
Sales $ Amount			

Department/ Payment Type / Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Transfer Station / Dumping Payments / One swipe terminal			
Visa			
Sales # Transactions	34		
Sales $ Amount	$1,230.92		
MasterCard			
Sales # Transactions	9		
Sales $ Amount	$318.01		
American Express			
Sales # Transactions	6		
Sales $ Amount	$369.29		
Discover Card			
Sales # Transactions			
Sales $ Amount			

APPENDIX 3
COSTS
CITY OF KEY WEST CREDIT CARD TRANSACTIONS
By MERCHANT STATEMENT
VOLUMES BASED ON JUNE 2010

Department/ Payment Type / Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Key West Bight Marina / Fuel Rents Supplies/ Two swipe terminal			
Visa			
Sales # Transactions	267		
Sales $ Amount	$123,249.99		
MasterCard			
Sales # Transactions	91		
Sales $ Amount	$21,959.17		
American Express			
Sales # Transactions	110		
Sales $ Amount	$129,954.73		
Discover Card			
Sales # Transactions			
Sales $ Amount			

Department/ Payment Type / Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Key West Bight Marina Parking / Parking Payments / Three Unattended swipe station			
Visa			
Sales # Transactions	3513		
Sales $ Amount	$24,816.50		
MasterCard			
Sales # Transactions	1462		
Sales $ Amount	$10,293.25		
American Express			
Sales # Transactions			
Sales $ Amount			
Discover Card			
Sales # Transactions	67		
Sales $ Amount	$489.50		

APPENDIX 3
COSTS
CITY OF KEY WEST CREDIT CARD TRANSACTIONS
By MERCHANT STATEMENT
VOLUMES BASED ON JUNE 2010

Department/ Payment Type / Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Park-N-Ride/ Parking Payments / One Unattended pay stations**			
Visa			
Sales # Transactions			
Sales $ Amount			
MasterCard			
Sales # Transactions			
Sales $ Amount			
American Express			
Sales # Transactions			
Sales $ Amount			
Discover Card			
Sales # Transactions			
Sales $ Amount			

Department/ Payment Type / Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Garrison Bight Marina/ Rental Ramp Parking Payments / One swipe terminal			
Visa			
Sales # Transactions	179		
Sales $ Amount	$38,751.56		
MasterCard			
Sales # Transactions	62		
Sales $ Amount	$15,974.97		
American Express			
Sales # Transactions	35		
Sales $ Amount	$11,302.70		
Discover Card			
Sales # Transactions	6		
Sales $ Amount	$961.95		

** - Sales included in 24 pay station on following page. Account to be set separated for accounting purposes upon purchase of new machines (see Appendix 4). Total sales for June from this account, included in total of 24 on next page was $8,162.

APPENDIX 3
COSTS
CITY OF KEY WEST CREDIT CARD TRANSACTIONS
By MERCHANT STATEMENT
VOLUMES BASED ON JUNE 2010

Department/ Payment Type / Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Parking / Parking Payments / 24 unattended pay stations *			
Visa			
Sales # Transactions	17,470		
Sales $ Amount	$116,734.75		
MasterCard			
Sales # Transactions	7,152		
Sales $ Amount	$48,735.15		
American Express			
Sales # Transactions			
Sales $ Amount			
Discover Card			
Sales # Transactions	243		
Sales $ Amount	$2,127.25		

Department/ Payment Type / Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
ONLINE / Parking Ticket Payments and Utility Payments / City Website			
Visa			
Sales # Transactions	?		
Sales $ Amount	?		
MasterCard			
Sales # Transactions	?		
Sales $ Amount	?		
American Express			
Sales # Transactions	?		
Sales $ Amount	?		
Discover Card			
Sales # Transactions	?		
Sales $ Amount	?		

* - Fifteen additional pay stations were added in May

APPENDIX 4
CITY OF KEY WEST EQUIPMENT

EQUIPMENT

CITY LEASED EQUIPMENT

7 – Hypercom Model T4205 – Swipe Card with key pad and receipt tape with dedicated phone line.

CITY-OWNED EQUIPMENT

27 - CALE MP104

- The City anticipates replacing an AMANO pay station currently being used at the Park-n-Ride with 2 to 4 CALE stations within the next 3 months.
- An additional 15 CALE pay stations will be purchased next year

PERMIT REQUIREMENT
AND COST

BUILDING/ZONING PLEASE COMPLETE

ANTI-KICKBACK AFFIDAVIT

STATE OF FLORIDA

SS

COUNTY OF MONROE

I, the undersigned, hereby duly sworn, depose and say that no portion of the sum herein bid will be paid to any employee of the City of Key West as a commission, kickback, reward or gift, directly or indirectly by me or any member of my firm or by an officer of the corporation.

BY:_____

_____

sworn and prescribed before me this_____day of_____, 2010

_____

NOTARY PUBLIC, State of Florida

My commission expires:_____

LOCAL VENDOR CERTIFICATION PURSUANT TO CKW ORDINANCE 09-22 SECTION 2-798

The undersigned, as a duly authorized representative of the vendor listed herein, certifies to the best of his/her knowledge and belief, that the vendor meets the definition of a "Local Business." For purposes of this section, "local business" shall mean a business which:

a. *Principle address as registered with the FL Department of State located within 30 miles of the boundaries of the city, listed with the chief licensing official as having a business tax receipt with its principle address within 30 miles of the boundaries of the city for at least one year immediately prior to the issuance of the solicitation.*

b. *Maintains a workforce of at least 50 percent of its employees from the city or within 30 miles of its boundaries.*

c. Having paid all current license taxes and any other fees due the city at least 24 hours prior to the publication of the call for bids or request for proposals.

- o Not a local vendor pursuant to Ordinance 09-22 Section 2-798
- o Qualifies as a local vendor pursuant to Ordinance 09-22 Section 2-798

If you qualify, please complete the following in support of the self certification & submit copies of your County and City business licenses. Failure to provide the information requested will result in denial of certification as a local business.

Business Name Phone:

Current Local Address: Fax:
(P.O Box numbers may not be used to establish status)

Length of time at this address

_____ _____
Signature of Authorized Representative Date

STATE OF_____
COUNTY OF_____

The foregoing instrument was acknowledged before me this _____day of _____, 20___.
By_____, of_____
(Name of officer or agent, title of officer or agent) Name of corporation acknowledging)
or has produced_____as identification
(type of identification)

_____
Signature of Notary

_____
Print, Type or Stamp Name of Notary

Return Completed form with
Supporting documents to:
City of Key West Purchasing

_____

Title or Rank

SWORN STATEMENT PURSUANT TO SECTION 287.133(3)(A)
FLORIDA STATUTES, ON PUBLIC ENTITY CRIMES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS,

1. This sworn statement is submitted to_____
by_____
(Print individual's name and title)
for_____
(print name of entity submitting sworn statement)

whose business address is_____
and (if applicable) its Federal Employer Identification Number (FEIN) is_____
(If the entity has no FEIN, include the Social security Number of the individual signing this sworn statement:_____

2. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or of the United States, including, but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

3. I understand that "conviction" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guild, in any federal or state trial court of record relating to charges brought by indictment of information after July 01, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.

4. I understand that an "affiliate" as defined in Paragraph 287.133(1)(a), Florida Statutes, means:

1. A predecessor or successor of a person convicted of a public entity crime; or

2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. the term "affiliate' includes those officers, directors, executives, partners, shareholders, employees, members and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment of income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(1)(e), Florida Statutes, means any natural person or entity organized under the laws of any state of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

6. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement (indicate which statement applies).

____Neither the entity submitting this sworn statement, or any of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July, 1989.

The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 01, 1989.

The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 01, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on

the convicted vendor list. (attach a copy of the final order).

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH ONE (1) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR THE CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

_____
(SIGNATURE)

_____
(DATE)

STATE OF_____

COUNTY OF_____

PERSONALLY APPEARED BEFORE ME, the undersigned authority_____who, after first being sworn by me,
(name of individual)
affixed his/her signature in the space provided above of this
_____day of_____, 2010

_____
NOTARY PUBLIC

My commission expires:_____

CALL FOR PROPOSALS

NOTICE is hereby given to prospective Proposers that sealed proposals will be received by the CITY OF KEY WEST by the office of the City Clerk, 525Angela Street, Key West, Florida 33040, until P.M. for RFP# 010-10 Merchant Services.

Proposals will be opened in the office of the City Clerk then and there. Late Proposals will not be considered. SPECIFICATIONS AND DOCUMENTS may be obtained from DemandStar by Onvia at www.demandstar.com/supplier - or by calling 1.800.711.1712. One (1) original and four (4) copies of the proposal and one copy via compact disk or USB drive in PDF format are to be enclosed in two (2)sealed envelopes, one within the other, each clearly marked on the outside:

RFP #010-10 Merchant Services, addressed and delivered to:

CITY CLERK
CITY OF KEY WEST FLORIDA
CITY HALL, 525 ANGELA STREET
KEY WEST, FLORIDA 33040

At the time of the award, the successful Proposer must show satisfactory documentation of such State, County and City licenses as would be required. Any permit and/or license requirement and subsequent costs are located within the documents. The successful Proposer must also be able to satisfy the City Attorney as to such insurance coverage, and legal requirements as may be demanded by the proposal in question. The City may reject bids: (1) for budgetary reasons, (2) if the Proposer misstates or conceals a material fact in its proposal, (3) if the Proposer does not strictly conform to the law or is non-responsive to proposal requirements, (4) if the Proposal is conditional, or (5) if a change of circumstances occurs making the purpose of the Proposal unnecessary or (6) if such rejection is in the best interest of the City. The City may

also waive any minor informalities or irregularities in any bid.

SUE SNIDER, PURCHASING AGENT

Published _____

ADDENDUM NO. 1
RFP 002-11 – Merchant Services

To All Bidders:

The following questions and answers are hereby made a part of RFP 002-11 as fully as completely as if the same were fully set forth therein:

1) Question - Please provide detailed information on the CALE machines, does the city maintain the machines or are they managed by a third party.

1) Answer – The City maintains the pay stations in the field with phone and online technical support from CALE Parking USA. Two of our employees have been trained by CALE as technicians. We have an extended warranty contract with them that covers all parts. We pay for processing and software support. See attached for specifications.

2) Question - Regarding your request for convenience fee model is this for all of your transactions for point of sale or in the future for your online transactions. Please provide on what you are assessing the convenience fee for

2) Answer – Currently the City does not assess a convenience fee. The City would like the option to process all of its payments, both present and future, through a convenience fee model and a transaction fee model. The City envisions the use of both models for its credit card processing - a convenience fee model would not be practical for the automated pay stations or in the highly competitive marine fuel environment. However, it may be practical for over the counter payments in the revenue, building and other City departments. Currently the City absorbs all merchant charges. The migration to and implementation of a convenience fee model for certain payments will be at the sole discretion of the City Commission.

3) Question - Anti-Kickback Affidavit can this be limited to the person signing this as we need to make alteration to this document?

3) Answer – No, the City forms have been designed for a specific purpose any alteration of this format may result in the proposals being considered non-responsive.

4) Question -Sworn Statement on public entity crimes can this be alter to qualified to actual knowledge of the person signing this?

4) Answer - – No, the City forms have been designed for a specific purpose any alteration of this format may result in the proposals being considered non-responsive.

5) Question – Who is the current card processor?

5) Answer – First State Bank of the Florida Keys/Transfirst.

6) Question – Who hosts your online website? What payment gateway are they using? Is the site PCI compliant?

6) Answer – Currently the City does not take payments online.

7) Question – Is any cardholder data stored for any reason? If so, where is this data stored?

7) Answer - No, credit card data is destroyed.

8) Question – Is a convenience or additional fee of any type assessed to the credit card payments made via online payment website?

8) Answer - Currently the City does not take payments online.

9) Question – How are the credit card processing fee currently paid for ; direct bill, ACH debit, account analysis, etc?

9) Answer – ACH debit

10) Question – Is the "export file of approved transactions" provided by the website vendor or the credit card processor?

10) Answer - Currently the City does not take payments online.

11) Question – What is the total dollar amount of credit card transactions accepted last year?

11) Answer – For the 12 month period ending 11/30/10 it was $8 million dollars.

12) Question – What is the average transaction amount of credit card payment?

12) Answer – For the 12 month period ending 11/30/10 it averaged $153.00

13) Do you want to continue renting equipment or want a lease/purchase option?

13) Answer – Quote both.

14) Question – Can the City of Key West provide contact information for a representative at Click to Gov?

14) Answer – For information regarding this application you my contact Alison Osterberg, Project Coordinator - Client Services, SunGard Public Sector, at 407-304-3431

15) Question - Are there particular departments the City would like to access a convenience fee?

15) Answer – See answer 2) above.

16) Question - Could you please list which Authorization Networks Sungard (HTE) Software uses to process transactions, if known? (i.e. TSYS/Vital, Buypass, etc).

16) Answer - TSYS VitalNet

17) General – Additional Questions and Answers will be posted on Demand Star and the City's web site only and will not be e-mailed to perspective bidders.

All Proposers shall acknowledge receipt and acceptance of this Addendum No. 1 by acknowledging Addendum in their proposal or by submitting the addendum with the proposal package package. Proposals submitted without acknowledgement or without this Addendum may be considered non-responsive.

_____ _____

Signature Name of Business

ADDENDUM NO. 2
RFP 002-11 – Merchant Services

To All Bidders:

The following questions and answers are hereby made a part of RFP 002-11 as fully as completely as if the same were fully set forth therein:

1. ***Please provide the payment application that integrates with the City's CALE Point of Sale equipment?***

1. Gateway program is Merchant Connect Multi.

2. ***Will the City be charging convenience fees through the Click to Gov application only?***

2. No, the City envisions the use of both models for its credit card processing - a convenience fee model would not be practical for the automated pay stations or in the highly competitive marine fuel environment. However, it may be practical for over the counter payments in the revenue, building and other City departments, in addition to an on-line payment processing environment such as Click to Gov. Currently the City absorbs all merchant charges. The migration to and implementation of a convenience fee model for certain payments will be at the sole discretion of the City Commission

3. ***Are the City's terminals leased through their existing processor or a Third Party? If leased through a third party, what is the City's intent for use of the existing terminals?***

3. The City intends to buy, lease or rent terminals from the merchant service provider selected in the RFP process.

4. Can we request the City of Key West RFP#002-11 in Word format?

4. The City's policy is not to provide word copies of its bid documents used in the RFP and BID process. This is done to prevent the manipulation of the contents whether intentional or through oversight.

5. Would it be at all possible to get the RFP document in a word form?

5. See 4 above

6. On page 1, Opt. g. requests to include a 'Call for Proposal' document, could you please list an explanation of where this document is located/what exactly it is?

6. It is page 29 of your RFP package it is the last page. It is simply the advertisement that was published in the local paper. This document is for informational purposes only.

7. I was wondering if I could get a copy of the statements or a summary of usage (statements would be preferred) from September '09 – March '10. I would request a longer time period, but the above dates are all that are referenced in the RFP.

7. See attached merchant statements.

8. Is a word form of the RFP available?

8. See 4 above.

9. Can you provide a list of certified payment gateways that are supported by the Cale parking system?

9. Current gateway program is Merchant Connect Multi – made by Tender Retail. Waiting for list from CALE.

10 Is the provider required to support Cale and Amano parking systems during the transition off of Amano if that is not completed before the May implementation timeline?

10. CALE only

11. Does the City bill for monthly parking or marina slip rental fees? Are these recurring and can the City estimate the average fee for each?

11. Yes. Yes the city bills for slip rentals and certain "upland" leases on a monthly basis. The monthly slip rental charges amount to approximately $189,000 for a average bill of $800 and the monthly lease charges amount to $197,000 for a average bill of $5,200.

12. Can the City provide a breakdown of the number and volume of monthly residential versus commercial utility payments?

Garbage		
	No. of accounts	Total charges
Residential	11600	$ 338,670.50
Stormwater		
Residential	11503	$ 93,343.62
Commercial	1110	$ 100,245.00
Sewer		
Residential	10265	$ 410,293.65
Commercial	1411	$ 110,974.71

13. Does the City require notification of a chargeback before being debited by the merchant provider or can this occur in parallel?

13. Preferred method would be before.

14. The City is requesting pricing on check reader-imager equipment in Appendix 3 (Product Fees). Can you provide the transaction number and volume of checks currently accepted by the City (If available, by Department)?

14. The city does not employ this technology at this time. Pricing of this piece of equipment is optional at this time.

15. Would it be possible to receive word/excel versions of this RFP?

15. See 4 above.

16. Who is the City's current payment processing vendor?

16. First State Bank of the Florida Keys/Transfirst

17. What is the Payment Application used for the Amano pay stations currently in use?

17. N/A – Amano will be discontinued by implementation.

18. What is the Payment Application used for the CALE MP104 stations?

18. See number 1 above.

19. Would the City consider using a payment application other than Click to Gov for Online Transaction Processing?

19. Yes, the City is currently reviewing other public sector software. There is a distinct possibility that the City will be migrating to a new software vendor in the next 18 months. Therefore the City would consider using a separate payment application at this time, should the application proposed sufficiently serve the City's needs for payment processing.

20. Would the City consider integrating an alternate payment application into the Sungard (HTE) public sector software?

20. Yes based upon 19 response above.

21. May we request a copy of your latest statement?

21. See attached merchant statements.

22. Verify type of connection used for equipment. Dial Up or DSL

22. Dial Up

23. Provide 3 months of Merchant statements for each location.

23. See attached merchant statements.

24. In response to section M regarding your fees: BB&T will not invoice The City of Key West. However, The City of Key West will receive monthly statements with each locations fee. BB&T will debit the fees from their Direct Deposit Account (DDA). Will this accommodate the needs of The City of Key West?

24. Yes.

All Proposers shall acknowledge receipt and acceptance of this Addendum No. 1 by acknowledging Addendum in their proposal or by submitting the addendum with the proposal package package. Proposals submitted without acknowledgement or without this Addendum may be considered non-responsive.

_____ _____

Signature Name of Business

Exhibit B

FIRST STATE BANK
OF THE FLORIDA KEYS

December 21, 2010

Roger Wittenberg, Finance Director
City of Key West
525 Angela St.
Key West, FL 33040

Dear Mr. Wittenberg:

First State Bank of the Florida Keys appreciates the opportunity to offer our proposal for RFP # 002-11 for merchant services and certifies that all terms and cost projections will remain in effect for 90 days. We are proud of our 37 year banking partnership with you and wish to continue providing merchant services to the City of Key West.

First State Bank of the Florida Keys is the only bank who is headquartered in the City of Key West and exclusively serves the local community in Key West and Monroe County.

We have prepared a comprehensive response to the City of Key West's request that includes supporting documentation on the Bank's many services and benefits to aid the City of Key West in its decision process.

Key proposal highlights include:

- ✓ Local Merchant Service support, assistance and customer focused
- ✓ Quick and efficient response time for any questions or emergencies
- ✓ Long established partnership with the City of Key West
- ✓ Experienced staff with many years in the merchant services industry
- ✓ Processing partner received an A+ from the Better Business Bureau

First State Bank of the Florida Keys is set apart from the non-local banks by its 55-year history of providing local banking, public funds management, lending, business and merchant card services, a deep understanding of the Keys market and a historic commitment to both civic and community causes.

First State Bank of the Florida Keys also provides banking services for 15 of Monroe Counties public funds giving us both vast experience and a deep understanding of the special financial services needs of our local public entities.

We look forward to continuing with our long term merchant services and banking relationship with the City of Key West and are committed to providing the expert banking and old-fashioned customer service that only a true community bank can provide.

Sincerely,

Diane Gibson

Diane Gibson
Vice President
Corporate Services

November 24, 2010

To: All Prospective Proposers

City of Key West RFP #002-11 – Merchant Services contains the following documents:

a. Cover letter one (1) page in length
b. Proposal twenty (20) pages in length
c. Required permit/license one (1) page in length
d. Anti-Kickback Affidavit one (1) page in length
e. Local Vendor Certification one (1) page in length
f. Entity Crimes Statement three (3) pages in length
g. Call for Proposals one (1) page in length

Please review your proposal package to ensure it contains all of these documents. If not, contact Sue Snider, City of Key West Purchasing Agent at (305) 809-3815, immediately, to obtain copies of any missing document(s).

Proposers submitting proposals should ensure that the following documents are completed, certified, and returned as instructed: Anti-Kickback Affidavit, Public Entity Crimes Certification, Copy of Current Occupational License, and Local Vendor Certification, if applicable.

SUBJECT:	RFP#002-11 MERCHANT SERVICES
ISSUE DATE:	NOVEMBER 24, 2010
MAIL PROPOSALS TO:	CITY CLERK CITY OF KEY WEST 525 ANGELA STREET KEY WEST, FL 33040
DELIVER PROPOSALS TO:	SAME AS ABOVE
PROPOSALS MUST BE RECEIVED:	DECEMBER 22, 2010
NOT LATER THAN:	3:00 P.M.

SUE SNIDER
PURCHASING AGENT
CITY OF KEY WEST

ses

Enclosures

REQUEST FOR PROPOSAL (RFP) #002-11

City of Key West
P.O. Box 1409
525 Angela St.
Key West, Fl. 33031

I. INTRODUCTION

The City of Key is requesting proposals from eligible and qualified firms, authorized to do business in the State of Florida to provide Merchant Services to various departments within the City of Key West, Florida (the City.") The services provided will be in accordance with the Request for Proposal (the RFP").

This RFP is intended to serve as the proposal form for the Merchant Services agreement. There are several blanks to fill in and questions to be answered. The evaluation of the proposer's proposal will be based on these responses. The RFP also requests certain information to be attached and specifically labeled. Proposals must be complete, address all aspects of the RFP, and include all requested information to receive full consideration by the City in the selection process.

The City desires to enter into a contract of mutual party benefit and will be happy to answer all questions pertaining to this RFP. All questions regarding this RFP should be directed by e-mail to Roger Wittenberg Finance Director, at rwittenb@keywestcity.com. Questions and answers will be published as an addendum on Demand Star and made available to all proposers of record. Questions will be answered every Monday until the deadline.

II. TIMELINE

The City anticipates the following calendar of events:

TARGET DATE (2010/2011)	DISCRIPTION OF EVENTS
Wednesday, November 24	Issue RFP post on Demand Star
Friday, December 10	Deadline for written question and clarifications
Wednesday, December 22	Receive proposals
Week of January 3-7	Selection committee meeting
Tuesday, February 15	Commission consideration for award
Tuesday, March 15	Contract Signed Begin implementation
On or before May 1	Implementation

II. BACKGROUND

The City has provided the option to pay by credit card for some time now, Visa, MasterCard, American Express and Discover, at various locations throughout the City. Over the past few years credit card transactions have averaged 2,000 – 4,000 per month in total from the various locations.

In the past year in an effort to save on personnel costs the city owned parking lots have gone from a manned pay station to an unattended pay and display station. At the same time, the city has been replacing its parking meters with pay stations that service entire blocks.

As a result of these changes the city has begun to incur an additional 17,000 small sale transactions per month.

The city currently has 27 CALE machines and anticipates replacing an AMANO machine currently at the Park-n-Ride with 2- 4 CALE's prior to awarding of this RFP. During the next fiscal year the City plans on adding 15 more and periodically thereafter as needed.

III. CRITERIA FOR EVALUATION AND SELECTION

All complete and responsive proposals will be evaluated by the Selection Committee comprised of the Finance Director, the Deputy Finance Director, the Director of IT, and a representative of Public Financial Management (PFM) at a publicly noticed meeting. The evaluation of the proposals will be made based on the following criteria:

- Ability to perform and provide the required services; 30 pts
- Completeness of proposal and agreement to scope of services outlined in the RFP; 10pts
- Discount rates, service fees, rental fess and any other fees; 35 pts
- Settlement: timeliness of credits issued to depository bank; and, 10 pts
- Equipment: state of the art, ability to integrate with other City software systems. 10 pts
- References 5pts

The City of Key West reserves the right to ask questions, seek clarification of any or all Proposers as part of its evaluation. Only the three (3) highest rated Proposals as determined by the Selection Committee will go forward to the City Commission in ranked order. Final award will be made by the City Commission, based solely on that response which, in their opinion, is in the best interest of the City of Key West, all factors considered, irrespective of the Selection Committee ranking.

IV. SCOPE OF SERVICES

A. Scope: The successful Proposer will furnish credit card services to the City for a period of three (3) years with an option to renew with two (2) one-year extensions. All terms and conditions shall remain the same during the contract period and any subsequent renewals.

B. Transaction Fees: Proposals shall be based on the transaction/convenience fees to be charged to the City/City customer for processing VISA, MasterCard, Discover, and American Express credit cards as well as debit cards. All interchange dues, assessments and any other fees levied by VISA/MC, AMEX & Discover should be considered/treated as direct pass-through to the City, except in the case of convenience fee billing proposals.

C. Service locations: Currently the City has two types of service locations. These service locations each comprise a merchant account. The City also wishes to collect charges on-line sometime in the near future.

1) The City currently has the following service locations/accounts for walk-in or phone in point of sale transactions.

- Parking Department – has one swipe terminal used for paying parking tickets
- Building Department – has one swipe terminal used for paying building permits and occupational licenses
- Revenue Department – has one swipe terminal used for paying all types of city charges, the most prevalent being utility payments that account for 95% of all transactions.
- Key West Bight Marina Dock – has one swipe terminal at the dock masters office for fuel sales, supplies and rent payments.
- Key West Bight Marina Office – has one swipe terminal in the office for rents and misc payments.
- Garrison Bight Marina – has one swipe terminal at the office for rent, parking and ramp fee payments
- Transfer Station – has one swipe terminal for payment of dumping charges

2) The City has the following service location/accounts for the payment of parking space charges.

- Key West Bight Parking – has 3 unattended pay stations for parking spaces.
- Park-N-Ride – has 3 (see appendix 4) unattended pay station for parking spaces.
- City Parking – has 24 unattended pay stations in parking lots and on city streets throughout the city.

E. Equipment and Access: Currently the City leases all of its swipe terminals. The City purchases and maintains all of its unattended parking pay stations. All pay stations are manufactured by CALE. (See Appendix 3 for type of equipment.) At the current time the City does not process payments through the internet however, the Vendor must have capability to integrate with City's software and website. Please propose the equipment that will be necessary to process these transactions and the related costs

F. Credit Card Service: The ability to process VISA, MasterCard, American Express, and Discover credit cards is required.

G. Supplies: The Credit Card Services Provider will furnish to the City all necessary supplies to process transactions. One-part and two-part paper for use in terminals and printers are required. Please provide any costs associated with supplies that will be charged to the City.

H. History and Reports: The following examples are either provided herein or available from the City regarding transaction history: 1.) Credit Card Usage – A summary of credit card transactions reflecting gross volume and net sales for September, 2009 to March, 2010. 2.) A sample page from a monthly statement may be requested by contacting the Purchasing Division. The sample monthly statement represents the type of reporting the Credit Card Services Provider shall submit to the City. 3.) In addition to the above reports, daily detailed reports may be requested on an as-needed basis.

I. Implementation: Credit card services must be installed, training completed, and the system ready to go live in accordance with the proposed timeline.

J. On-Line Transactions: The City uses Sungard (HTE), public sector software to provide all the modules necessary to run the City. Sungard uses a software application called Click to Gov to provide on line payment access. Although the City does not currently use this application it plans on implementing the parking ticket and utility payment portions of this application in the near future. The ability to process online transactions is required.

K. Settlement: The City will maintain a bank account in their Depository Bank. Currently, this account is at First State Bank of the Florida Keys, Key West, Florida. The City requires that an Automated Clearing House (ACH) credit or debit be made to the settlement account at the designated depository bank.

L. Credits and Adjustments: Credit to a cardholder will be issued through the point-of sale terminals or third party software vendors.

M. Fees: The Merchant Services Provider will invoice the City monthly for fees as established in the Schedule of Charges furnished herein. This invoice statement should reflect daily summary activity, total sales, number of transactions and all transaction costs and fees associated with the credit records processed. The invoice can be mailed and a check processed from the City, or an ACH payment can be initiated to pay the monthly billing.

N. Reports: The City requires access to daily activity reports for each merchant ID/ Terminal ID in addition to the monthly summary activity reports and invoices. The City also requires on-line access to all activity through secure internet access.

O. Charge-Back Procedures: The City requires notification by email to the City's Finance department designee regarding items to be processed as charge-backs.

P. Data Security: Service providers must agree to properly dispose of sensitive cardholder data when no longer needed. The service provider must continue to treat cardholder data confidential upon contract termination and must provide the City with documentation showing PCI Data Security certification has been achieved. All failures to comply with PCI Data Security requirements must be reported to the City immediately along with a timeline for corrective action.

Q. INSURANCE

Prior to the execution of any contract, the City of Key West requires that any awarded contractor must provide to the City a certificate of insurance (Accord or other approved format) naming the City of Key West as additional insured, for the following:

- General liability (including completed operations coverage) in the amounts of $1,000,000 (combined single limit) Bodily Injury/Property Damage coverage per occurrence, and $2,000,000 general aggregate coverage.
- Automobile Liability in the amount of $1,000,000 (combined single limit), Property Damage and Bodily Injury coverage.
- Professional Liability, in an amount not less than $500,000.00 per occurrence and $1,000,000.00 aggregate.
- Worker's Compensation as defined in the Florida General Statutes.

Any subcontractor to a contracted firm shall be likewise covered, and shall furnish certificates of coverage acceptable to the City before starting work.

V. PROPOSAL INSTRUCTION AND FORMAT

The proposal shall include each of the following:

A. A TRANSMITTAL LETTER signed by the appropriate officer of the firm offering the proposal and certifying that the proposal and any cost projections included will remain in effect for 90 days.

B. APPENDIX 1 Proposers qualifications - Consists of 6 parts, the response to each part should be Labeled "Attachment *(Question #)* – *(Question descriptions)*" and attached to the transmittal letter

C. APPENDIX 2 References – Please provide four (4). Use forms and format provided. If sufficient space does not exist insert blank page and continue

D. APPENDIX 3 Costs – Please fill in cost information as applicable using forms and format provided.

E. APPENDIX 4 EQUIPMENT – For informational purposes.

F. CITY'S FORMS
Proposer shall complete and return all City forms and any other forms included in this RFP. Omission of any of these forms may result in the disqualification of the offer.

G. ADDENDA
If it becomes necessary to revise any part of this request or if additional data is necessary to enable interpretation of provisions of these document revisions, answers to questions asked, and/or addenda will be provided to all prospective firms who received this document through Demand Star or by directly contacting the City's project manager

Those plan holders of record in Demand Star will be provided these documents via Demand Star. Those plan holders that obtained this RFP by contacting the City will be notified by email.

H. SUBMISSION
An original and four (4) copies of Proposal are required, as well as one copy via compact disk or USB drive in pdf or similar standard readable format.

APPENDIX 1
PROPOSER'S QUALIFICATION

1. Provide a brief overview of your company including the following:
   - The name and location of your company, including the office location that will be serving the City.
   - A brief description of your business.
   - The number of years your company has been in business
   - Is your company a subsidiary of another corporation? If so, what is the name of the parent company?
   - The number of staff dedicated to provide requested service.

   (Label "Attachment 1 – Overview")

2. Merchant proposer must be able to provide beginning to end merchant services, including equipment/software, credit and charge transaction authorization, routing and settlement for all major credit and debit cards. Describe this process and identify any joint venture or affiliated relationships required to complete the processing of the transaction. (Attach to proposal), (Label "Attachment 2 – Process").

3. Describe your customer support function. Including hours of operations, phone numbers, after hours and weekend availability, reaction time, service location, local contact etc. Describe the process and proposed time line if a terminal went down during the weekday and if it went down during a weekend or after hours. (Attach to proposal), (Label "Attachment 3 – Customer Service")

4. Please provide a sample Merchant Statement and explain how the City would resolve any differences between internal deposits records and the Merchant Account Statement i.e. (where and who would the city call, documentation required, etc.). (Attach to Proposal), (Label "Attachment 4 – Merchant Statement").

City of Key West RFP #002-11 – Merchant Services

APPENDIX 1

PROPOSER'S QUALIFICATION

Attachment 1 – Overview

1. Provide a brief overview of your company including the following:

   - The name and location of your company, including the office location that will be serving the City:

First State Bank of the Florida Keys - **Main Office**
1201 Simonton St.
Key West FL 33040

First State Bank of the Florida Keys - **Merchant Services Dept.**
3406 N. Roosevelt Blvd
Key West FL 33040

   - A brief description of your business:

First State Bank of the Florida Keys is a full service local community bank headquartered in Key West.

   - The number of years your company has been in business:

First State Bank has been serving the local community since 1955 and remains the only community bank still in existence in the Florida Keys.

   - Is your company a subsidiary of another corporation? If so, what is the name of the parent company?

First State Bank of the Florida Keys isn't a subsidiary of another company.

City of Key West RFP #002-11 Merchant Services

Attachment 1 – Overview Continued

- The number of staff dedicated to provide requested service:

First State Bank of the Florida Keys has four (4) full time employees in our Merchant Services Department in Key West who are dedicated to providing top notch service to the City of Key West and are available during the City of Key West's normal business hours.

We also have a 24/7 Help Desk for any after hours issues and our Merchant Services staff are also available by cell phone in emergency situations.

We are available immediately to address any questions and handle any issues as needed to assist the City along with our branch staff who are available during normal banking hours.

City of Key West RFP #002-11 Merchant Services

Attachment 2 – Process

2. Merchant proposer must be able to provide beginning to end merchant services, including equipment/software, credit and charge transaction authorization, routing and settlement for all major credit and debit cards. Describe this process and identify any joint venture or affiliated relationships required to complete the processing of the transaction:

First State Bank of the Florida Keys has provided the merchant services processing for the City of Key West since 1994 and we have successfully extended our services to other merchant service accounts as they were added through the years.

Equipment is provided by First State Bank on a month-to-month fee basis or can be purchased. Rental equipment is swapped out by local First State Bank staff if needed at no additional cost. If the City owns any equipment that would need repair, First State Bank will provide a temporary replacement until the owned equipment is repaired.

First State Bank of the Florida Keys can provide beginning to end services by the following method:

- After your customer initiates the sale, authorization requests are routed to the card issuing bank, which approves or declines each transaction.
- Approved transactions are batched either by city employees or automatically at a designated time by terminals or software.
- Authorized transactions are routed to First State Bank's processing partner, TransFirst.
- TransFirst sends each transaction to the appropriate card issuer for posting to the cardholder, and posts the deposit for MasterCard, Visa & Discover. Credit for transactions done by those three card types will post as one total deposit to the designated account via ACH on the second business day after batch transmission. American Express will post credits for their cards in accordance with the agreement between American Express and the City of Key West.

City of Key West RFP #002-11 Merchant Services

Attachment 3 – Customer Service

3. Describe your customer support function, including hours of operations, phone numbers, after hours and weekend availability, reaction time, service location, local contact etc. Describe the process and proposed time line if a terminal went down during the weekday and if it went down during a weekend or after hours.

First State Bank of the Florida Keys is the only remaining local bank serving the community and is dedicated to providing "old fashioned" customer service that has earned it the designation as *Best Business & Best Bank in Monroe County*.

We are committed to providing the City of Key West with prompt, courteous and professional customer service by our local staff in our Merchant Services Department.

Our Merchant Service team members are:

Diane Gibson, Vice President/Corporate Services
Phone: (305) 293-6800
Cell: (305) 923-1689
dgibson@keysbank.com
30 years of banking experience

Anna Baird, Assistance Vice President/Corporate Services
Phone: (305) 293-6819
Cell: (305) 923-5240
annab@keysbank.com
30 years of banking experience

Jane Cloutier, Merchant Services Processor
Phone: (305) 293-6824
Cell: (413) 896-3262
janec@keysbank.com
29 years of customer service experience

James Todd, Merchant Services
Phone: (305) 293-6814
Cell: (305) 393-4154
jamesc@keysbank.com
9 years of banking experience

Boulevard

Corporate Services

Diane Gibson
VP/Corporate Services & Business Development Manager

Anna Baird
AVP/Corporate Services Officer

Jane Cloutier
Merchant Services Processor

James Todd
Merchant Services Representative

City of Key West RFP #002-11 Merchant Services

Attachment 3 – Customer Service Continued

Our hours of operation:

Monday- Friday 8:30 am – 6pm with a 24/7 Help Desk
Local staff are also available by cell in any emergency situations after hours

TransFirst Help Desk Customer Service Support Team:

Available 24/7
Toll Free Number: (877) 608-6599

We have been providing the City of Key West merchant services support for many years and have always prided ourselves on being prompt and quick to respond to any needs of the City staff. If a terminal should go down during normal business hours, we would respond quickly to replace the terminal and get you back up and running within 1-2 hours. If a situation occurs after normal business hours, we would normally be able to respond quickly within the same 1-2 hour timeframe. More time may be required for very complex situations especially if there is an issue with the City's third party vendor.

As City staff is aware from past experience, our highly experienced Merchant Service Department has been very instrumental in problem solving and assisting you for many years, especially with resolution of any third party PC vendor issues.

City of Key West RFP #002-11 Merchant Services

Attachment 4 – Merchant Statement

4. Please provide a sample Merchant Statement and explain how the City would resolve any differences between internal deposits records and the Merchant Account Statement i.e. (where and who would the city call, documentation required, etc.).

We have attached one of the City of Key West's merchant statements for your review.

If the City of Key West would need assistance or have questions on any differences, City staff would call any of our local merchant service representatives (see attachment 3- Customer Service for names and contact numbers) for assistance and we would resolve the issue promptly.

Normally, bank staff can access documentation here but depending on the situation, City staff might have to provide copies of sales slips or batch reports.

Having both the merchant account and the operating account with First State Bank is an advantage for the City of Key West since we are able to track every transaction from authorization to posting which results in quicker resolution.

Merchant Statement

CITY OF KEY WEST
PO BOX 1409
KEY WEST, FL 33041

Processing Month: 06-10 3930

Association Number: 105105

Merchant Number: 3930-0979-6921-66

Routing Number: xxxxx0438

Deposit Account Number: xxxxxx3096

Sample

CITY OF KEY WEST
PO BOX 1409
KEY WEST FL 33041-1409

Amount Deducted:
$ 2,768.13

Plan Summary

Plan Code	Number of Sales	Amount of Sales	Number of Credits	Amount of Credits	Net Sales	Average Ticket	Disc P/I	Disc %	Discount Due
VS	370	60,063.89	00	.00	60,063.89	162.33	.000	.400	240.21
MC	202	40,604.88	00	.00	40,604.88	201.01	.000	.400	162.44
DS	08	1,412.80	00	.00	1,412.80	176.60	.000	.400	5.65
**	580	102,081.57	00	.00	102,081.57	176.00			408.30

Deposits

Day	Reference Number	Tran Code	Plan Code	Number of Sales	Amount of Sales	Amount of Credits	Discount Paid	Net Deposit
02	90001809533	D	T	40	4,697.43	.00	.00	4,697.43
03	90001819526	D	T	37	5,310.69	.00	.00	5,310.69
04	90001829707	D	T	28	3,827.02	.00	.00	3,827.02
07	90001839778	D	T	23	4,045.34	.00	.00	4,045.34
08	90001849904	D	T	75	8,179.59	.00	.00	8,179.59
09	90001850039	D	T	37	6,842.48	.00	.00	6,842.48
10	90001860116	D	T	22	4,181.02	.00	.00	4,181.02
11	90001870176	D	T	24	2,381.54	.00	.00	2,381.54
14	90001880245	D	T	33	6,354.30	.00	.00	6,354.30
15	90001890354	D	T	48	15,339.71	.00	.00	15,339.71
16	90001900452	D	T	26	4,131.01	.00	.00	4,131.01
17	90001910495	D	T	10	1,503.80	.00	.00	1,503.80
18	90001920530	D	T	15	2,549.40	.00	.00	2,549.40
21	90001930581	D	T	17	2,833.75	.00	.00	2,833.75
22	90001940640	D	T	24	3,817.09	.00	.00	3,817.09
23	90001950705	D	T	29	14,727.01	.00	.00	14,727.01
24	90001960754	D	T	11	1,685.39	.00	.00	1,685.39
25	90001970800	D	T	28	3,257.19	.00	.00	3,257.19
28	90001980840	D	T	04	373.37	.00	.00	373.37
29	90001990886	D	T	26	3,793.76	.00	.00	3,793.76
30	90001000953	D	T	21	2,050.68	.00	.00	2,050.68
	Deposit Totals			580	102,081.57	.00	.00	102,081.57

Fees

Number	Amount	Description	Total
		EQUIPMENT RENTAL FEE	16.12
		TRANSLINK MONTHLY FEE	7.50
		$100,000 BREACH SECURITY COVERAGE	8.95
381		VISA ASSOC APF FEE	7.43
02		VISA MISUSE OF AUTHORIZATION SYSTEM FEE	.09
		MONTHLY STATEMENT FEE	7.50
02	11,825.19	VISA PUR STD-OTHR @ 2.95% + $.10	349.04
19	3,292.33	VISA BUS CNP @ 2.25% + $.10	75.98
01	199.96	VISA PURCH CNP @ 2.55% + $.10	5.20
03	596.86	VISA BUS RETAIL @ 2.20% + $.10	13.43
05	1,114.77	VISA SIG PREF CNP @ 2.40% + $.10	27.25
14	2,326.83	VISA SIG PREF STD OTHR @ 2.95% + $.10	70.04
07	144.38	VISA CPS/RTL CK DB @ .95% + $.20	2.77
94	11,179.17	VISA CPS/RTL2 DB @ .80% + $.25	112.93
13	3,349.40	VISA BUS STD-OTHR @ 2.95% + $.10	100.11

PLAN CODES

VS -VISA	MC -MASTERCARD	DS -DISCOVER	JC -JCB	T-ALL PLANS	D-DEPOSIT
VL -VISA LARGE TICKET	ML -MASTERCARD LARGE TICKET	DD -DISCOVER DEBIT	AM -AMERICAN EXPRESS	1-PLAN ONE	C-CHARGEBACK
VD -VISA DEBIT	MD -MASTERCARD DEBIT	DZ -DISCOVER BUSINESS	DB -DEBIT	2-PLAN TWO	A-ADJUSTMENT
VB -VISA BUSINESS	MB -MASTERCARD BUSINESS	DJ -DISCOVER JCB	EC -ELECTRONIC CHECK	3-PLAN THREE	B-CHARGEBACK REVERSAL
VS -VISA CASH ADVANCE	MS -MASTERCARD CASH ADVANCE	DS -DISCOVER CASH ADV	EB -EBT		

TRANSACTION CODES

Merchant Statement

Fees - continued

Number	Amount	Description	Total
04	388.92	VISA FOREIGN STD @ 1.60%	6.22
31	3,793.63	VISA CPS-RETAIL 2 @ 1.43% + $.05	55.80
61	7,166.31	VISA EIRF @ 2.30% + $.10	170.93
116	14,686.14	VISA EIRF-US DB @ 1.75% + $.20	280.21
	60,063.89	VISA ASSESSMENTS	55.56
44	5,455.90	MC WRLD PUB SECT @ 1.55% + $.10	88.97
38	8,208.14	MC ELITEPUBSECT @ 1.55% + $.10	131.03
28	14,572.60	MC ENH PUB SECT @ 1.55% + $.10	228.68
01	23.15	MC COMM DR1 MWB @ 2.82% + $.10	.75
03	436.26	MC COMM DR2 MCF @ 2.50% + $.10	11.21
02	324.42	MC HV PUB SECT @ 1.55% + $.10	5.23
202	40,604.88	MC ASSOC NABU FEE	3.74
05	1,855.15	MC BENH DR1 @ 2.77% + $.10	51.89
23	3,669.40	MC CORP DATA RT 1 @ 2.65% + $.10	99.54
12	1,150.62	MC PUBLIC SECTOR @ 1.55% + $.10	19.03
46	4,909.83	MC EMERGING MKDB @ .80% + $.25	50.78
	40,604.88	MC ASSESSMENTS	41.67
04	426.07	DISC PUBLIC SVCS RW @ 1.50% + $.10	6.79
03	926.37	DISC COMM ELEC @ 2.30% + $.10	21.61
01	66.36	DISC COMM BASE SUBM @ 2.95% + $.10	2.06
	1,412.80	DISC ASSESSMENTS	1.31
04	388.92	VISA INTERNATIONAL ASSESSMENT	3.31
580	102,081.57	V/MC/DS KILOBYTE/BASEII FEES	32.01
737		TRANSACTION/NETWORK ACCESS FEE	184.25
		Total Fees Due	2,359.83

Discount Due	408.30
Fees Due	2,359.83
Amount Deducted	2,768.13

VISA, MASTERCARD, AND DISCOVER ASSOCATIONS PERIODICALLY REVIEW AND MODIFY THEIR INTERCHANGE AND ASSESSMENT RATE STRUCTURES AND BILLING STRATEGIES. SPECIFIC ASSOCIATION MODIFICATIONS ARE BEYOND OUR CONTROL AND WILL AFFECT ALL MERCHANT CARD PROCESSORS AND THEIR CUSTOMERS. EFFECTIVE JULY 1, 2010, VISA USA IS MODIFYING THEIR U.S. ACQUIRER SERVICE FEE (VISA ASSESSMENT FEE) BY .0175%. WE APPRECIATE YOUR BUSINESS AND WILL CONTINUE TO DO OUR BEST TO MINIMIZE THE IMPACT THESE CHANGES HAVE ON YOU AND YOUR BUSINESS.

PLAN CODES					TRANSACTION CODES
VS -VISA	MC -MASTERCARD	DS -DISCOVER	JC -JCB	T -ALL PLANS	D-DEPOSIT
VL -VISA LARGE TICKET	ML -MASTERCARD LARGE TICKET	DD -DISCOVER DEBIT	AX -AMERICAN EXPRESS	1 -PLAN ONE	C-CHARGEBACK
VD -VISA DEBIT	MD -MASTERCARD DEBIT	DB -DISCOVER BUSINESS	DB -DEBIT	2 -PLAN TWO	A-ADJUSTMENT
VB -VISA BUSINESS	MB -MASTERCARD BUSINESS	DJ -DISCOVER JCB	EC -ELECTRONIC CHECK	3 -PLAN THREE	R-CHARGEBACK REVERSAL
VS -VISA CASH ADVANCE	MS -MASTERCARD CASH ADVANCE	DS -DISCOVER CASH ADV	EB -EBT		

APPENDIX 1
PROPOSER'S QUALIFICATION

5. Please indicate any exceptions or concerns taken to **IV. SCOPE OF SERVICES** (above). (Label "Attachment 5 – Exception to Scope").

6. Please provide an implementation timeline once a contract has been signed. (Label "Attachment 6 – Implementation Timeline").

City of Key West RFP #002-11 Merchant Services

Attachment 5 – Exception to Scope

5. Please indicate any exceptions or concerns taken to IV. Scope of Services (above)

First State Bank of the Florida Keys doesn't have any exceptions to scope of services.

First State Bank of the Florida Keys would recommend that the City of Key West review the following Rules and Regulations set by Visa, MasterCard, Discover and American Express regarding convenience fees:

Discount for Cash/Checks

In card present situations, merchants are allowed to give a discount for cash. The law is written in such a manner that ensures the consumer knows the highest possible price before checkout.

Convenience Fee Program Overview

Convenience fees are fees charged for taking a card outside of the normal business channel. Convenience fees allow merchants to offset the cost of accepting transactions when providing a non-traditional acceptance channel for their customers.

Only merchants with certain Merchant Category Codes are allowed to charge convenience fees. The primary target market for convenience fee allowance is municipalities, with a secondary target of educational institutions. Convenience fees are allowed on all card types but only in accordance with the regulations outlined herein.

At this time all transactions will need to be entered through the merchant's website in order to take advantage of the additional fields and to ensure cardholder consent.

City of Key West RFP #002-11 Merchant Services

Attachment 5 – Exception to Scope Continued

Examples of Convenience Fee Allowance

Allowed: A merchant that accepts the majority of their transactions face-to-face may charge a convenience fee for transactions accepted via telephone or internet.

Disallowed: A merchant charges a convenience fee for all transactions.
Note: Merchants can only charge convenience fees if it provides a non-typical transaction acceptance method for the customer.

Disallowed: A merchant to charge differing convenience fees by card type.
Note: Merchants must charge the same convenience fee regardless of card type.

Disallowed: A merchant charges a convenience fee for recurring payments
Note: Merchants may only charge a convenience fee for the first payment

Merchant Participation Restrictions

The following restrictions apply to all merchants participating in convenience fee acceptance:

- Merchants must be registered with MasterCard to participate in the convenience fee acceptance program.
  - To register merchants for these programs, please contact your Account Manager.
  - Visa, Discover and Amex do not require merchants to be registered at this time.
- Merchants must use a Merchant Category Code that is allowed to charge a convenience fee.
- Merchants must adhere to all requirements for participation in the program.
- Merchants must key sales to Transaction Central, or another internet gateway product approved by our Product Department. Ex: Skipjack and Authorize.net can be set up with convenience fee acceptance.

City of Key West RFP #002-11 Merchant Services

Attachment 5 – Exception to Scope Continued

Convenience Fee Program Details

Eligible Merchant Category Codes

- 8211 Elementary Schools
- 8220 Colleges/Universities
- 9211 Courts
- 9222 Fines
- 9399 Miscellaneous Government Services

Program Support and Fee Structure

While MasterCard allows for convenience fees to be charged as either a percent of the transaction or a fixed dollar amount, Visa will only allow fees to be assessed as a fixed dollar amount, regardless of the transaction volume. However, the associations require that convenience fees be consistent across all transactions, regardless of card type, as to not discriminate against any particular card type. Therefore, merchants wishing to assess convenience fees on both cards will need to charge their fees as a fixed dollar amount, regardless of the amount of the transaction.

If the merchant chooses to only accept MasterCard for convenience fees, then the merchant has the option of charging the *convenience fee as a percentage of the transaction*. This option means that the merchant cannot accept Visa cards through the same payment channel as the MasterCard convenience fee acceptance channel.

Convenience fees can be charged on Amex and Discover cards, as well, but the rate must be consistent with that charged for Visa and MasterCard acceptance, as to not discriminate against any card type.

- Convenience fees may not be collected for face-to-face transactions.
- Convenience fees may not be collected for recurring transactions.

Registration and Reporting Requirements

Merchants that desire to participate in the convenience fee program must register with MasterCard prior to approval. At this time, only MasterCard requires merchants be registered for program participation. The registration will take approximately 1-3 business days and the bank will submit the required forms.

Compliance Requirements

All merchants participating in the convenience fee program that are accepting transactions via the internet are required to be compliant with the PCI DSS. There are no exceptions to this requirement.

City of Key West RFP #002-11 Merchant Services

Attachment 5 – Exception to Scope Continued

Merchant and Cardholder Notifications

- Merchant must notify the cardholder that a convenience fee will be charged and that these two separate fees (original + convenience) will be consolidated into one transaction.
- Cardholders must be given the opportunity to opt out of the sale upon notification of the convenience fee.
- Additionally, the cardholder must consent to the fee prior to the sale

Transaction Structure

Visa transaction structure:

- The convenience fee must be included as a part of the total transaction amount.

MasterCard transaction structure:

- The convenience fee may be charged as part of the total transaction amount or as a separate transaction.
- If the convenience and original amounts are run as two separate transactions, both the payment and convenience fee must be processed under the same Merchant Category Code.

City of Key West RFP #002-11 Merchant Services

Attachment 6 – Implementation Timeline

6. Please provide an implementation timeline once a contract has been signed.

Implementation is immediate because we are already your current Merchant Services provider. Current operations won't be interrupted and no programming or retraining would be necessary.

The pricing quote offered would be effective the first of the month following execution of the contract.

Any additional merchant accounts added in the future would be handled quickly and efficiently by First State Bank staff as we have proven over the years.

APPENDIX 2
REFERENCES

Please list four management-level contacts from government or large credit card accounts.

Reference 1
Name of Account: Utility Board of the City of Key West - Keys Energy Services

Phone number (305) 295-1013 **Name of contact** Jack Wetzler

Title Asst. General Mgr & CFO **Email:** Jack.wetzler@keysnergy.com

Installation Date 2/24/98 **Duration of project** Ongoing relationship

Scope of work completed

Keys Energy Services has had a banking relationship with First State Bank of the Florida Keys since 1957. We have been processing their credit card transactions since 1998 when they decided to offer this option to their customers.

Our scope of work involves the support of all terminals, online payment system, recurring billing system, automated phone payment system and we also assist KES with any customer service posting inquiries or other assistance as needed.

First State Bank also stepped in to assist KES customers by offering their Big Pine Key branch office for the acceptance of KES payments when KES closed their Big Pine Key shopping center location. This resulted in a savings to KES by the elimination of staffing needs and facility expenses.

APPENDIX 2
REFERENCES

Reference 2

Name of Account Florida Keys Aqueduct Authority

Phone number (305) 295-2233 **Name of contact** Denise Hull

Title Finance Director **Email:** dhull@fkaa.com

Installation Date 8/12/03 **Duration of project** Ongoing relationship

Scope of work completed

Florida Keys Aqueduct Authority has had an ongoing banking relationship with First State Bank of the Florida Keys since 1980. We have been processing their credit card transactions since 2003 when they decided to offer this option to their customers.

Our scope of work involves the support of all terminals at their Key West, Marathon and Tavernier locations as well as support for their online bill payment component. We also assist them with any questions, terminal related or online assistance or any other customer service inquiry as needed.

APPENDIX 2
REFERENCES

Reference 3

Name of Account Florida Keys Community College

Phone number (305) 809-3178 **Name of contact** David Monroe

Title Controller **Email:** david.monroe@fkcc.edu

Installation Date 7/2/90 **Duration of project** Ongoing relationship

Scope of work completed

Florida Keys Community College has had an ongoing relationship with First State Bank of the Florida Keys since 1990 and we have been their merchant services provider since that time.

Florida Keys Community College has numerous terminals at various locations at their Key West, Marathon and Key Largo campus locations, along with their online payment system. Having multiple credit card payment options available to their students is a top priority of the college. First State Bank of the Florida Keys has been assisting Florida Keys Community College with terminal support, handling technical inquiries, customer service and other related assistance since 1990.

APPENDIX 2
REFERENCES

Reference 4
Name of Account Spottswood Companies, Inc.

Phone number (305) 294-4840 **Name of contact** Robert Spottswood

Title President **Email:** rspottswood@spottswood.com

Installation Date 5/13/99 **Duration of project** Ongoing relationship

Scope of work completed

Spottswood Companies Inc. is one of the leading real estate development, property management and hospitality businesses in the Florida Keys. First State Bank has had an ongoing relationship with them and supports their merchant services needs from their lodging, restaurant, retail and property management holdings. We assist them with their many different and complex pc software systems and terminals that need to be operational 24/7 . Due to bank confidentiality on a non-public entity, information on special properties, pc software systems or terminals is available verbally upon request.

APPENDIX 3
COSTS

One-Time Fees:

Fee Description	One Time Costs
Software	Set by software company
Software Upgrades	Set by software company
Merchant Application Fee	Waived
Set Up Fee By Processor	Waived
Internal Control & Procedures Review	$18.80 Quarterly per account for Control Scan OR No Fee if City provided PCI Compliance Certificate from any approved PCI Audit Co.
Initial Training - Onsite	$0.00
Additional Training - telephone or written training	$0.00 Additional training can also be done on site
Other:	
Transaction Central Plus - Optional Online	$100 Set up fee for first account
optional with Echeck & credit card processing	$50 Set up fee for additional accounts
that can be customized to meet your needs & integrated with your web site.	

Product Fees: (See Appendix 3 for type of Equipment.)

Product	Model	Rental per Month	Purchase per Devise
Terminal	Hypercom 4205	$10.75	$239.95 + Tax
Printer	Integrated	N/A	
Pin Pad:	P 1300 - Optional	*$5.00	*$99.00 + Tax
Check Reader-Imager	Various dependant on check Volume		
Imprinter		N/A	Provided
Electronic Check Svs. Fee			
On-Line Reporting Monthly Fee/ User ID	TransLink	$7.50	N/A
Wireless Equipment	Nurit 8020	N/A	$595.00 + Tax
Supplies:	Terminal	No fee for terminal supplies	N/A
Other: Optional	**Transaction Central Plus	$30.00	N/A
	Additional Accounts	$10.00	N/A

* Terminal has internal pin pad, but an external pin pad is also an option

Transaction Central Plus is a virtual terminal that lets you process credit cards or checks that are called in by customers. Credit card transaction process at the same rates as other card not present transactions.
Processing fee for electronic checks is .30 cents per check.

Check Imaging information will be provided after bank & city staff analyze needs & cost efficiencies

APPENDIX 3
COSTS

Monthly Fees: Required per Merchant Account

Fee Description (fees paid to Merchant)	Per Item Costs	Monthly Costs
Account Fee	$5.00	$50.00 for 10 accounts
Technical Support	$0.00	N/A
Monthly Statement	$0.00	$0.00
Security Coverage $100,000 Breach Insurance	Optional $8.95 per account	$89.50 for 10 Accounts
Minimum Transaction Volume	$10.00	
Transaction/Network Access	0.15	See Pages 17-21
Direct Pass-through of interchange, dues, assessments, kilobyte, NABU, APF and any other card association fees.		See Pages 17-21
Discount	0.18%	See Pages 17-21
Other:		
Annual Administration Fee	$25 for all city accounts	$2.08
Non PCI Compliance Fee	$10 Quarterly for each account that this not completed the appropriate SAQ	

List all Additional Fees Required to Process Payment Made on-Line through the City Website

Fee Description (fees paid to Merchant)	Per Item Costs	Monthly Costs
Chargebacks	$10.00	N/A
Other: Retrieval Requests	$0.00	N/A

Settlement:
Provide applicable period for deposits to City's bank accounts, i.e., 24 hours, 36 hours, 48 hours, 72 hours:
Deposits post in two business days. i.e., Deposits transmitted Monday will be available Wednesday morning. Deposits transmitted Friday will be available Tuesday morning. Holidays delay posting one day. American Express discount rate and deposit posting is determined by the time frames and rates designated in the contract between American Express & the City of Key West.

APPENDIX 3
COSTS
CITY OF KEY WEST CREDIT CARD TRANSACTIONS
By MERCHANT STATEMENT
VOLUMES BASED ON JUNE 2010

Department / Payment Type/ Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Revenue Department / Utility Payments / One swipe terminal			Unit price for transaction- Unit price Transactions + monthly fees
Visa			Fee for CNP transactions
Sales # transactions	370	$4.10	All card types
Sales Amount	$60,063.89		Flat Rate Per Transaction
MasterCard			$4.39 - $4.44
Sales # transactions	202	$4.21	Excluding Visa
Sales Amount	$40,604.88		Charge 2.33 - 2.36%
American Express			of the transaction amount
Sales # transactions	119	$5.55	
Sales Amount	$29,758.35		Card Present Option
Discover			Raise Fees and
Sales # transactions	8	$4.90	Give Cash/check
Sales Amount	$1,412.80		Discount

CNP= Card Not Present

Department / Payment Type/ Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Parking Department / Ticket Payments/One swipe terminal			Unit price for transaction- Unit price Transactions + monthly fees
Visa			Fee for CNP Transactions
Sales # transactions	307	$1.09	All Card Types
Sales Amount	$11,625.50		Flat Rate Per Transaction
MasterCard			$1.33 - $1.41
Sales # transactions	108	$1.99	Excluding Visa
Sales Amount	$5,756.25		Charge 2.68%-2.84%
American Express			of the transaction amount
Sales # transactions	38	$1.51	
Sales Amount	$2,282.10		Card Present Option
Discover			Raise Fees and
Sales # transactions	12	$1.22	Give Cash/check
Sales Amount	$3,445.00		Discount

APPENDIX 3
COSTS
CITY OF KEY WEST CREDIT CARD TRANSACTIONS
By MERCHANT STATEMENT
VOLUMES BASED ON JUNE 2010

Department / Payment Type/ Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Building Department / Permit Payments / One swipe terminal			Unit price for transaction- Unit price Transactions + monthly fees
Visa			Fee for CNP Transactions
Sales # transactions	75	$2.55	All Card Types
Sales Amount	$8,621.94		Flat Rate Per Transaction
MasterCard			$4.49 - $4.78
Sales # transactions	25	$10.07	Excluding Visa
Sales Amount	$11,352.73		2.22%-2.37%
American Express			of the transaction amount
Sales # transactions	38	$4.66	
Sales Amount	$7,926.45		Card Present Option
Discover			Raise Fees and
Sales # transactions			Give Cash/check
Sales Amount			Discount

Department / Payment Type/ Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Transfer Station/ Dumping Payments / One swipe terminal			Unit price for transaction- Unit price Transactions + monthly fees
Visa			Fee for CNP Transactions
Sales # transactions	34	$1.03	All Card Types
Sales Amount	$1,230.92		Flat Rate Per Transaction
MasterCard			$1.14-$2.04
Sales # transactions	9	$1.14	Excluding Visa
Sales Amount	$318.01		2.92%-6.45%
American Express			of the transaction amount
Sales # transactions	6	$1.77	
Sales Amount	$369.29		Card Present
Discover	0		Raise Fees and
Sales # transactions			Give Cash/check
Sales Amount			Discount

APPENDIX 3
COSTS
CITY OF KEY WEST CREDIT CARD TRANSACTIONS
By MERCHANT STATEMENT
VOLUMES BASED ON JUNE 2010

Department / Payment Type/ Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Key West Bight Marina/ Fuel Rents Supplies/ Two swipe terminals			Unit price for transaction- Unit price Transactions + monthly fees
Visa			Fee for CNP Transactions
Sales # transactions	267	$11.30	All Card Types
Sales Amount	$123,249.99		Flat Rate Per Transaction
MasterCard			$13.53 to $13.66
Sales # transactions	91	$5.66	Excluding Visa
Sales Amount	$21,959.17		4.36% - 4.40%
American Express			of the transaction amount
Sales # transactions	110	$25.46	
Sales Amount	$129,954.73		Card Present
Discover			Raise Fees and
Sales # transactions	0		Give Cash/check
Sales Amount	0		Discount

Department / Payment Type/ Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Key West Bight Marina Parking/ Parking Payments/ Three Unattended swipe stations			Unit price for transaction- Unit price Transactions + monthly fees
Visa			Fee for CNP Transactions
Sales # transactions	3513	$0.38	All Card Types
Sales Amount	$24,816.50		Flat Rate Per Transaction
MasterCard			$.39 - $.40
Sales # transactions	1462	$0.41	Excluding Visa
Sales Amount	$10,293.25		5.52% - 5.069%
American Express			of the transaction amount
Sales # transactions			
Sales Amount			Card Present
Discover			Raise Fees and
Sales # transactions	67	$0.49	Give Cash/check
Sales Amount	$489.50		Discount

APPENDIX 3
COSTS
CITY OF KEY WEST CREDIT CARD TRANSACTIONS
By MERCHANT STATEMENT
VOLUMES BASED ON JUNE 2010

Department / Payment Type/ Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Park-N-Ride / Parking Payments / One unattended pay station **			Unit price for transaction- Unit price Transactions + monthly fees
Visa			Fee for CNP Transactions
Sales # transactions	$1,132.00	$0.33	All Card Types
Sales Amount	$7,560.85		Flat Rate Per Transaction
MasterCard			$.33- $.37
Sales # transactions	$68.00	$0.34	Excluding Visa
Sales Amount	$464.88		4.97%-5.46%
American Express			of the transaction amount
Sales # transactions			
Sales Amount			Card Present
Discover			Raise Fees and
Sales # transactions	16	$0.36	Give Cash/check
Sales Amount	138.27		Discount

Costs in this section would be offset by cost reduction in the Parking/Parking payments
24 unattended pay stations section on page 21

Department / Payment Type/ Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Garrison Bight Marina/ Rental Ramp Parking Payments / One swipe Terminal			Unit price for transaction- Unit price Transactions + monthly fees
Visa			Fee for CNP Transactions
Sales # transactions	179	$5.01	All Card Types
Sales Amount	$38,751.58		Flat Rate Per Transaction
MasterCard			$5.48 - $5.62
Sales # transactions	62	$6.06	Excluding Visa
Sales Amount	$15,974.97		2.71% - 2.85%
American Express			of the transaction amount
Sales # transactions	35	$7.17	
Sales Amount	$11,302.70		Card Present
Discover			Raise Fees and
Sales # transactions	6	$3.59	Give Cash/check
Sales Amount	$961.95		Discount

APPENDIX 3
COSTS
CITY OF KEY WEST CREDIT CARD TRANSACTIONS
By MERCHANT STATEMENT
VOLUMES BASED ON JUNE 2010

Department / Payment Type/ Equipment in use	Monthly Activity	City Cost Price/Unit	City Customer Cost Price/Unit
Parking / Parking Payments / 24 unattended pay stations			Unit price for transaction- Unit price Transactions + monthly fees
Visa			Fee for CNP Transactions
Sales # transactions	17470	$0.33	All Card Types
Sales Amount	$116,734.75		Flat Rate Per Transaction
MasterCard			$.34 - $.35
Sales # transactions	7152	$0.34	Excluding Visa
Sales Amount	$48,735.15		4.97%-4.99%
American Express			of the transaction amount
Sales # transactions			
Sales Amount			Card Present
Discover			Raise Fees and
Sales # transactions	243	$0.36	Give Cash/check
Sales Amount	$2,127.25		Discount
Department / Payment Type/ Equipment in use	**Monthly Activity**	**City Cost Price/Unit**	**City Customer Cost Price/Unit**
ON LINE / Parking Ticket Payments and Utility payments / City Website			Unit price for transaction- Unit price Transactions + monthly fees
Parking	Monthly Activity	Cost	Convenience
Visa			Fee for CNP Transactions
Sales # transactions	248	$1.07	All Card Types
Sales Amount	10885		Flat Rate Per Transaction
MasterCard			$1.27-$1.32
Sales # transactions	176	$1.35	Excluding Visa
Sales Amount	6422		
American Express			of the transaction amount
Sales # transactions			3.07% - 3.19%
Sales Amount			Card Present
Discover			Raise Fees and
Sales # transactions	7	$6.17	Give Cash/check
Sales Amount	532		Discount

Volume estimates were made by using the CNP transactions from the Parking Enforcement Account in this case the costs for this account will be offset by a decrease in transactions and costs in the current Parking Enforcement account.

Once implemented, the convenience of paying online may increase credit card usage and costs.

APPENDIX 4
CITY OF KEY WEST EQUIPMENT

EQUIPMENT

CITY LEASED EQUIPMENT

7 – Hypercom Model T4205 – Swipe Card with key pad and receipt tape with dedicated phone line.

CITY-OWNED EQUIPMENT

27 - CALE MP104

- The City anticipates replacing an AMANO pay station currently being used at the Park-n-Ride with 2 to 4 CALE stations within the next 3 months.
- An additional 15 CALE pay stations will be purchased next year

IF BANK LOCATED WITHIN THE CITY OF KEY WEST LICENSE TAX REQUIRED
NOT TO EXCEED 1,102.00

CITY OF KEY WEST, FLORIDA

Business Tax Receipt

This Document is a business tax receipt
Holder must meet all City zoning and use provisions.
P.O. Box 1409, Key West, Florida 33040 (305) 809-3955

Business Name	FIRST STATE BANK OF THE FLACtlNbr:0002943
Location Addr	1201 SIMONTON ST
Lic NBR/Class	11-00002958 FINANCIAL INSTITUTION
Issue Date:	August 17, 2010 Expiration Date:September 30, 2011
License Fee	$1,102.50
Add. Charges	$0.00
Penalty	$0.00
Total	$1,102.50

Comments:

This document must be prominently displayed.
PRIVATE CORP. STOCKHOLDER

FIRST STATE BANK OF THE FLA
1201 SIMONTON ST

KEY WEST FL 33040

ANTI-KICKBACK AFFIDAVIT

STATE OF FLORIDA

SS

COUNTY OF MONROE

I, the undersigned, hereby duly sworn, depose and say that no portion of the sum herein bid will be paid to any employee of the City of Key West as a commission, kickback, reward or gift, directly or indirectly by me or any member of my firm or by an officer of the corporation.

BY: _____

Dorsia Goodrich, EVP corporate Secretary

sworn and prescribed before me this 21st day of December 2010

_____

NOTARY PUBLIC, State of Florida

My commission expires: 9/24/2011

ANNA M. BAIRD
Notary Public - State of Florida
My Commission Expires Sep 24, 2011
Commission # DD 79878
Bonded Through National Notary Assn.

LOCAL VENDOR CERTIFICATION PURSUANT TO CKW ORDINANCE 09-22 SECTION 2-798

The undersigned, as a duly authorized representative of the vendor listed herein, certifies to the best of his/her knowledge and belief, that the vendor meets the definition of a "Local Business." For purposes of this section, "local business" shall mean a business which:

a. *Principle address as registered with the FL Department of State located within 30 miles of the boundaries of the city, listed with the chief licensing official as having a business tax receipt with its principle address within 30 miles of the boundaries of the city for at least one year immediately prior to the issuance of the solicitation.*

b. *Maintains a workforce of at least 50 percent of its employees from the city or within 30 miles of its boundaries.*

c. Having paid all current license taxes and any other fees due the city at least 24 hours prior to the publication of the call for bids or request for proposals.

- ○ Not a local vendor pursuant to Ordinance 09-22 Section 2-798
- ○ Qualifies as a local vendor pursuant to Ordinance 09-22 Section 2-798

If you qualify, please complete the following in support of the self certification & submit copies of your County and City business licenses. Failure to provide the information requested will result in denial of certification as a local business.

Business Name First State Bank of the Florida Keys Phone: (305) 296-8535

Current Local Address: 1201 Simonton St. Key West FL 33040 Fax: (305) 293-0402
(P.O Box numbers may not be used to establish status)

Length of time at this address 55 years

Signature of Authorized Representative

12/21/2010
Date

STATE OF Florida
COUNTY OF Monroe

The foregoing instrument was acknowledged before me this 21st day of December 2010
By Daria Goodrich, EVP/Corp. Secretary of First State Bank of the Florida Keys
(Name of officer or agent, title of officer or agent) Name of corporation acknowledging)
or has produced Known as identification
(type of identification)

ANNA M. BAIRD
Notary Public - State of Florida
My Commission Expires Sep 24, 2011
Commission # DD 718775
Bonded Through National Notary Assn.

Signature of Notary

Anna Baird
Print, Type or Stamp Name of Notary

Assistant Vice President
Title or Rank

Return Completed form with
Supporting documents to:
City of Key West Purchasing

SWORN STATEMENT PURSUANT TO SECTION 287.133(3)(A)
FLORIDA STATUTES, ON PUBLIC ENTITY CRIMES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to City of Key West
by Doria Goodrich, EVP/Corporate Secretary
(Print individual's name and title)
for First State Bank of the Florida Keys
(print name of entity submitting sworn statement)

whose business address is 1201 Simonton St., Key West FL 33040 - Main Office
and (if applicable) its Federal Employer Identification Number (FEIN) is 65-0790413
(If the entity has no FEIN, include the Social security Number of the individual signing this sworn statement:_____

2. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or of the United States, including, but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

3. I understand that "conviction" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guild, in any federal or state trial court of record relating to charges brought by indictment of information after July 01, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.

4. I understand that an "affiliate" as defined in Paragraph 287.133(1)(a), Florida Statutes, means:

   1. A predecessor or successor of a person convicted of a public entity crime; or

2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. the term "affiliate' includes those officers, directors, executives, partners, shareholders, employees, members and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment of income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(1)(e), Florida Statutes, means any natural person or entity organized under the laws of any state of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

6. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement (indicate which statement applies).

[✓] Neither the entity submitting this sworn statement, or any of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July, 1989.

[ ] The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 01, 1989.

[ ] The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 01, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list. (attach a copy of the final order).

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH ONE (1) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR THE CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

(SIGNATURE)

12/21/10

(DATE)

STATE OF Florida

COUNTY OF Monroe

PERSONALLY APPEARED BEFORE ME, the undersigned authority Doria Goodrich who, after first being sworn by me, (name of individual) affixed his/her signature in the space provided above of this 21st day of December, 2010

NOTARY PUBLIC

My commission expires: 9/24/2010

ANNA M. BAIRD
Notary Public - State of Florida
My Commission Expires Sep 24, 2011
Commission # DD 716776
Bonded Through National Notary Assn.

CALL FOR PROPOSALS

NOTICE is hereby given to prospective Proposers that sealed proposals will be received by the CITY OF KEY WEST by the office of the City Clerk, 525Angela Street, Key West, Florida 33040, until 3:00 P.M. December 22, 2010 for RFP# 002-11 - Merchant Services. Proposals will be opened in the office of the City Clerk then and there. Late Proposals will not be considered. SPECIFICATIONS AND DOCUMENTS may be obtained from DemandStar by Onvia at www.demandstar.com/supplier - or by calling 1.800.711.1712. One (1) original and four (4) copies of the proposal and one copy via compact disk or USB drive in PDF format are to be enclosed in two (2) sealed envelopes, one within the other, each clearly marked on the outside: RFP #002-11 Merchant Services, addressed and delivered to:

CITY CLERK
CITY OF KEY WEST FLORIDA
CITY HALL, 525 ANGELA STREET
KEY WEST, FLORIDA 33040

At the time of the award, the successful Proposer must show satisfactory documentation of such State, County and City licenses as would be required. Any permit and/or license requirement and subsequent costs are located within the documents. The successful Proposer must also be able to satisfy the City Attorney as to such insurance coverage, and legal requirements as may be demanded by the proposal in question. The City may reject bids: (1) for budgetary reasons, (2) if the Proposer misstates or conceals a material fact in its proposal, (3) if the Proposer does not strictly conform to the law or is non-responsive to proposal requirements, (4) if the Proposal is conditional, or (5) if a change of circumstances occurs making the purpose of the Proposal unnecessary or (6) if such rejection is in the best interest of the City. The City may also waive any minor informalities or irregularities in any bid.

Published 11/24/10

SUE SNIDER, PURCHASING AGENT

ADDENDUM NO. 1
RFP 002-11 – Merchant Services

To All Bidders:

The following questions and answers are hereby made a part of RFP 002-11 as fully as completely as if the same were fully set forth therein:

1) Question - Please provide detailed information on the CALE machines, does the city maintain the machines or are they managed by a third party.

1) Answer – The City maintains the pay stations in the field with phone and online technical support from CALE Parking USA. Two of our employees have been trained by CALE as technicians. We have an extended warranty contract with them that covers all parts. We pay for processing and software support. See attached for specifications.

2) Question - Regarding your request for convenience fee model is this for all of your transactions for point of sale or in the future for your online transactions. Please provide on what you are assessing the convenience fee for

2) Answer – Currently the City does not assess a convenience fee. The City would like the option to process all of its payments, both present and future, through a convenience fee model and a transaction fee model. The City envisions the use of both models for its credit card processing - a convenience fee model would not be practical for the automated pay stations or in the highly competitive marine fuel environment. However, it may be practical for over the counter payments in the revenue, building and other City departments. Currently the City absorbs all merchant charges. The migration to and implementation of a convenience fee model for certain payments will be at the sole discretion of the City Commission.

3) Question - Anti-Kickback Affidavit can this be limited to the person signing this as we need to make alteration to this document?

3) Answer – No, the City forms have been designed for a specific purpose any alteration of this format may result in the proposals being considered non-responsive.

4) Question -Sworn Statement on public entity crimes can this be alter to qualified to actual knowledge of the person signing this?

4) Answer - – No, the City forms have been designed for a specific purpose any alteration of this format may result in the proposals being considered non-responsive.

5) Question – Who is the current card processor?

5) Answer – First State Bank of the Florida Keys/Transfirst.

15) Question - Are there particular departments the City would like to access a convenience fee?

15) Answer – See answer 2) above.

16) Question - Could you please list which Authorization Networks Sungard (HTE) Software uses to process transactions, if known? (i.e. TSYS/Vital, Buypass, etc).

16) Answer - TSYS VitalNet

17) General – Additional Questions and Answers will be posted on Demand Star and the City's web site only and will not be e-mailed to perspective bidders.

All Proposers shall acknowledge receipt and acceptance of this Addendum No. 1 by acknowledging Addendum in their proposal or by submitting the addendum with the proposal package package. Proposals submitted without acknowledgement or without this Addendum may be considered non-responsive.

Diane Gibson
Signature

First State Bank of the Fl. Keys
Name of Business

ADDENDUM NO. 2
RFP 002-11 – Merchant Services

To All Bidders:

The following questions and answers are hereby made a part of RFP 002-11 as fully as completely as if the same were fully set forth therein:

1. ***Please provide the payment application that integrates with the City's CALE Point of Sale equipment?***

1.Below is e-mail correspondence received from Cale.

Payment Application:
Tender Retail "Merchant Connect Multi" ver 4.2.8.
There is no separate application on the 104. The 104 communicates the encrypted information via GPRS directly to our main server. Our server handles the interface to the payment platform via MCM.
(This application is often referred to as the gateway or middleware.)

Payment Platforms: (Gateways?) These are the processing platforms that are supported by MCM.
*Vital / Tsys
*FDMS / Cardnet
FDMS / South-Nashville
*Paymentech
*Elavon / Nova
Global East
*Fifth Third
ADS / Heartland

* NOTE: These platforms are generally very easy to set up. The others seem to take more to get the correct information. In the case of Global, the connections to their platform seem to be problematic at times causing a higher percentage of offline transactions.

2. ***Will the City be charging convenience fees through the Click to Gov application only?***

2. No, the City envisions the use of both models for its credit card processing - a convenience fee model would not be practical for the automated pay stations or in the highly competitive marine fuel environment. However, it may be practical for over the counter payments in the revenue, building and other City departments, in addition to an on-line payment processing environment such as Click to Gov. Currently the City absorbs all merchant charges. The migration to and implementation of a convenience fee model for certain payments will be at the sole discretion of the City Commission

3. Are the City's terminals leased through their existing processor or a Third Party? If leased through a third party, what is the City's intent for use of the existing terminals?

3. The City intends to buy, lease or rent terminals from the merchant service provider selected in the RFP process.

4. Can we request the City of Key West RFP#002-11 in Word format?

4. The City's policy is not to provide word copies of its bid documents used in the RFP and BID process. This is done to prevent the manipulation of the contents whether intentional or through oversight.

5. Would it be at all possible to get the RFP document in a word form?

5. See 4 above

6. On page 1, Opt. g. requests to include a 'Call for Proposal' document, could you please list an explanation of where this document is located/what exactly it is?

6. It is page 29 of your RFP package it is the last page. It is simply the advertisement that was published in the local paper. This document is for informational purposes only.

7. I was wondering if I could get a copy of the statements or a summary of usage (statements would be preferred) from September '09 – March '10. I would request a longer time period, but the above dates are all that are referenced in the RFP.

7. See attached merchant statements.

8. Is a word form of the RFP available?

8. See 4 above.

9. Can you provide a list of certified payment gateways that are supported by the Cale parking system?

9. See 1 above

10 Is the provider required to support Cale and Amano parking systems during the transition off of Amano if that is not completed before the May implementation timeline?

10. CALE only

11. Does the City bill for monthly parking or marina slip rental fees? Are these recurring and can the City estimate the average fee for each?

11. Yes. Yes the city bills for slip rentals and certain "upland" leases on a monthly basis. The monthly slip rental charges amount to approximately $189,000 for a average bill of $800 and the monthly lease charges amount to $197,000 for a average bill of $5,200.

12. Can the City provide a breakdown of the number and volume of monthly residential versus commercial utility payments?

Garbage		
	No. of accounts	Total charges
Residential	11600	$ 338,670.50
Stormwater		
Residential	11503	$ 93,343.62
Commercial	1110	$ 100,245.00
Sewer		
Residential	10265	$ 410,293.65
Commercial	1411	$ 110,974.71

13. Does the City require notification of a chargeback before being debited by the merchant provider or can this occur in parallel?

13. Preferred method would be before.

14. The City is requesting pricing on check reader-imager equipment in Appendix 3 (Product Fees). Can you provide the transaction number and volume of checks currently accepted by the City (If available, by Department)?

14. The city does not employ this technology at this time. Pricing of this piece of equipment is optional at this time.

15. Would it be possible to receive word/excel versions of this RFP?

15. See 4 above.

16. Who is the City's current payment processing vendor?

16. First State Bank of the Florida Keys/Transfirst

17. What is the Payment Application used for the Amano pay stations currently in use?

17. N/A – Amano will be discontinued by implementation.

18. What is the Payment Application used for the CALE MP104 stations?

18. See number 1 above.

19. Would the City consider using a payment application other than Click to Gov for Online Transaction Processing?

19. Yes, the City is currently reviewing other public sector software. There is a distinct possibility that the City will be migrating to a new software vendor in the next 18 months. Therefore the City would consider using a separate payment application at this time, should the application proposed sufficiently serve the City's needs for payment processing.

20. Would the City consider integrating an alternate payment application into the Sungard (HTE) public sector software?

20. Yes based upon 19 response above.

21. May we request a copy of your latest statement?

21. See attached merchant statements.

22. Verify type of connection used for equipment. Dial Up or DSL

22. Dial Up

23. Provide 3 months of Merchant statements for each location.

23. See attached merchant statements.

24. In response to section M regarding your fees: BB&T will not invoice The City of Key West. However, The City of Key West will receive monthly statements with each locations fee. BB&T will debit the fees from their Direct Deposit Account (DDA). Will this accommodate the needs of The City of Key West?

24. Yes.

All Proposers shall acknowledge receipt and acceptance of this Addendum No. 1 by acknowledging Addendum in their proposal or by submitting the addendum with the

proposal package package. Proposals submitted without acknowledgement or without this Addendum may be considered non-responsive.

Diane Gibson
Signature

First State Bank of the Fl. Keys
Name of Business

Transaction Central Plus

Supplemental Product Information

Overview
Products & Services

Insight into Municipal Governments

As a municipal merchant services provider, CMTA, CSMFO, and GFOA member, TRANSFIRST understands the demands placed upon government finance staff. At TRANSFIRST we have the resources and expertise to implement the most cost-effective and efficient transaction processing solution for public sector merchant services, which are competitive, scalable and tailored around your operations. Our ability to work seamlessly with any depository banking institution and your city's software enables us to facilitate dynamic and specialized solutions. Most importantly, our solutions are stand-alone and easily integrate with public sector software products (utility, recreation, accounting, etc.), both commercial and custom-built.

Through our in-depth industry knowledge, partnership strategy and innovative processing solutions, TransFirst provides a specialized approach to transaction processing for public entities. Our team will tailor a transaction processing program for your city that can facilitate card-based, online e-Payment and by-phone payments for services like:

- Traffic fines
- Parking tickets
- Taxes
- Utility payments
- Permit and license fees
- Special operating permits
- Recreation class registration
- Much more!

Benefits

- Increases fine and fee collections
- Reduces check NSFs (non-sufficient funds)
- Improves cash flow
- Reduces customer waiting lines and improves customer service
- Enhances pro-business, pro-development initiatives
- Reduces service billing costs (paper and postage)
- Improves financial report generation and forecasting
- Increases employee productivity, reallocate FTEs (full-time employees)
- Multi-user level access for the city staff

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FEATURED PRODUCTS - TRANSACTION CENTRAL

- Overview
- Featured Products
- Card Acceptance Programs
- POS & Connection Options
- Merchant Enhancement Programs
- Reseller Enhancement Programs

TRANSACTION CENTRAL™

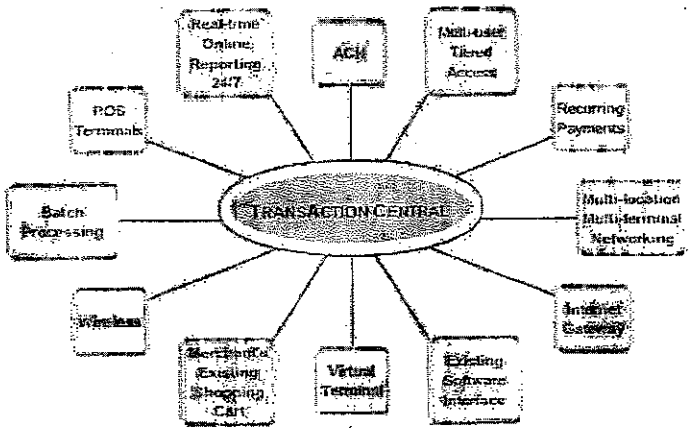
Our revolutionary product, TRANSACTION CENTRAL, is a Web-based centralized payment processing system that offers merchants comprehensive, flexible and user-friendly processing solutions. TRANSACTION CENTRAL allows you to perform transactions 24 hours a day from any worldwide location with all of the functionality of an electronic countertop terminal.

800-654-9256

TransAction Central
Integration Documentation
Integration Request Form

TRANSACTION CENTRAL™ DEMO
Click here

For TRANSACTION CENTRAL capabilities, roll over the below diagram.



TRANSACTION CENTRAL Capabilities include:

- Check imaging
- Compatibility with existing software
- ACH service
- Recurring payments
- Wireless processing
- Batch processing
- Integrated shopping cart technology
- Multi-location networking
- Real-time merchant reporting
- And much more!

TRANSACTION CENTRAL can be customized for you...
If you want to market TRANSACTION CENTRAL under your own label, TRANSFIRST will work with you to make the technology look like your own. Contact a TRANSFIRST business specialist at 800-745-2659 today.

To view the TRANSACTION CENTRAL demo, click here.

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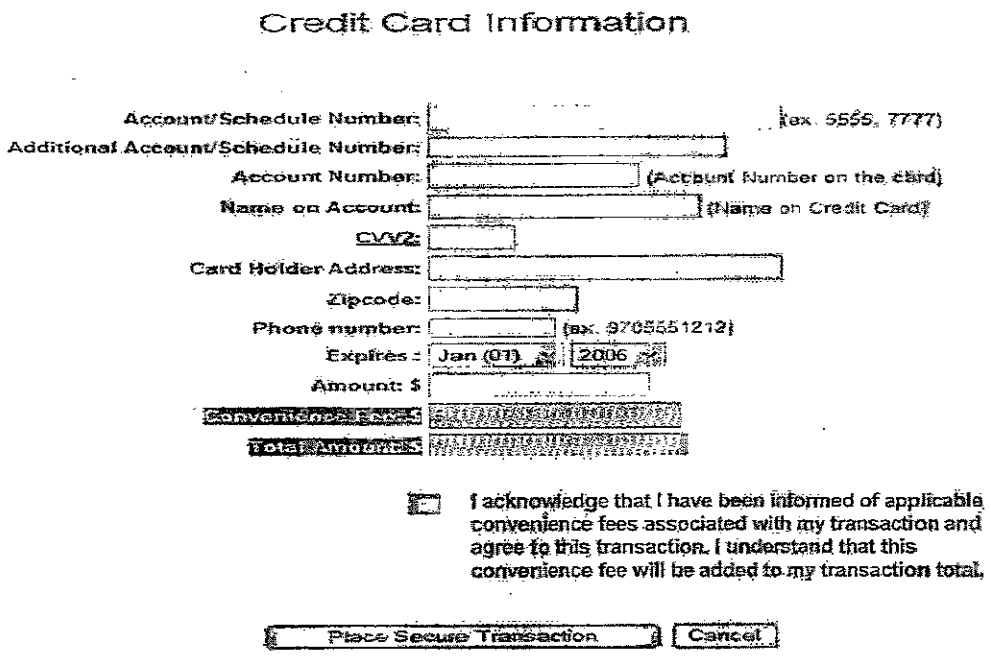
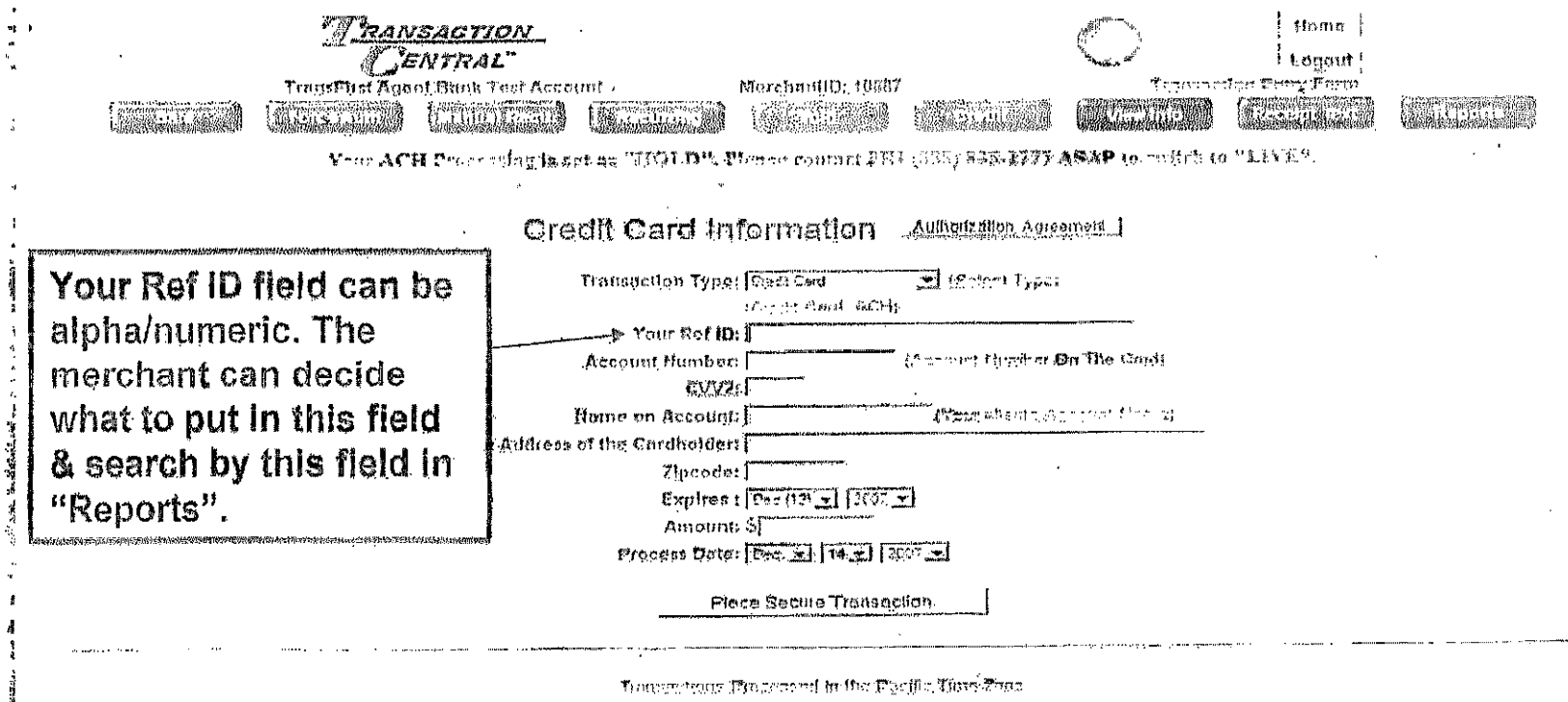
TransAction Central Screen Shot

When convenience fees are enabled, the cardholders will see three additional fields on the transaction entry screen.



Credit Card Sale



Your Ref ID field can be alpha/numeric. The merchant can decide what to put in this field & search by this field in "Reports".

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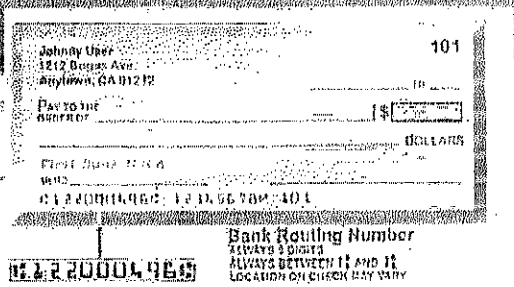
TRANSFIRST

ACH Sale



TRANSACTION CENTRAL

TransFirst Agent Bank Test Account

MerchantID: 10087

Your ACH Processing is set as "HOLD". Please contact FIRSTPAY ASAP to switch to "LIVE".

ACH-Checking/Saving Information (Authorization Agreement)

Transaction Type: [ACH-Checking Account] (Credit Card, ACH)

Your Ref ID:

Account Number: (Your Check's Bank Account Number)

Name on Account: (Your Check's Account Owner)

Description: [CB Test]

Dose Date: [12345]

Bank Routing No:

Amount: $

Process Date: [Dec] [14] [2007]

Note: ACH Account orders can only be accepted for United States banks. Orders drawn on accounts with non-US banks will be rejected

Place Secure Transaction

Transaction Processed to the Credit Card Bank

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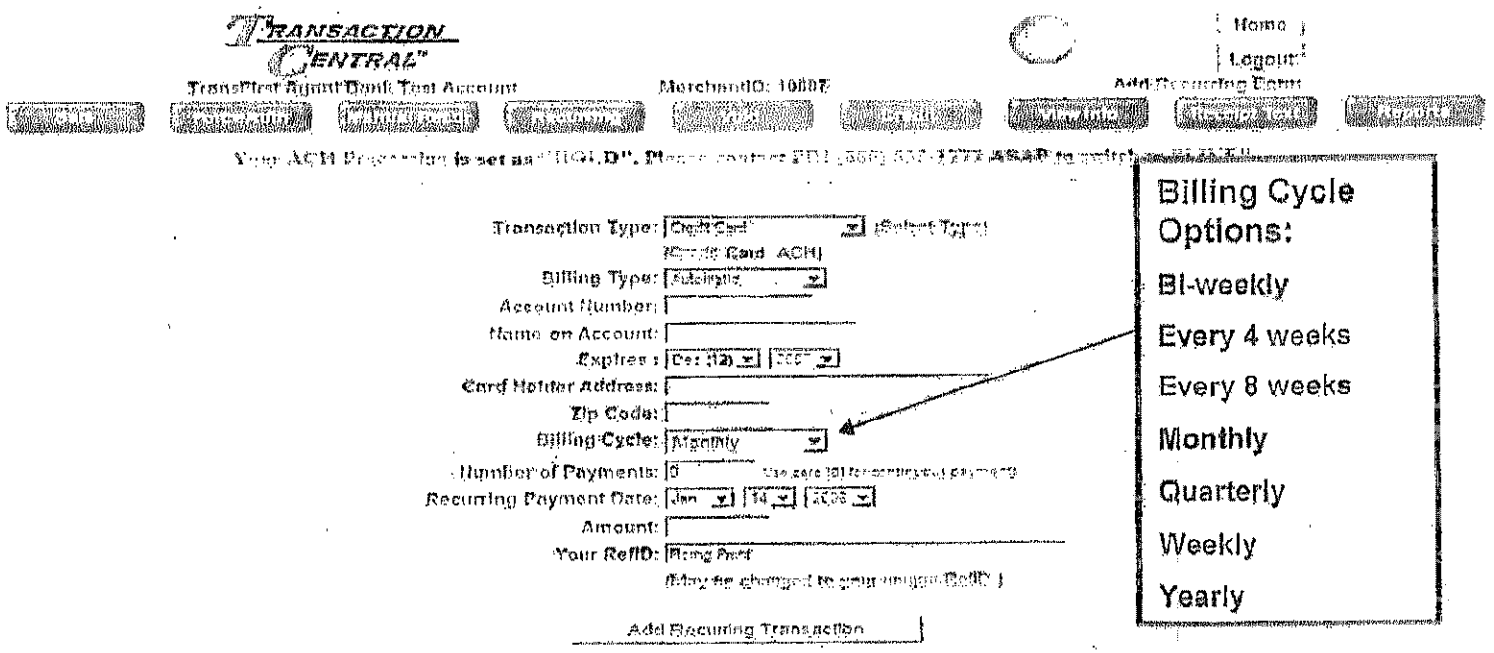
TRANSFIRST

Recurring Payments



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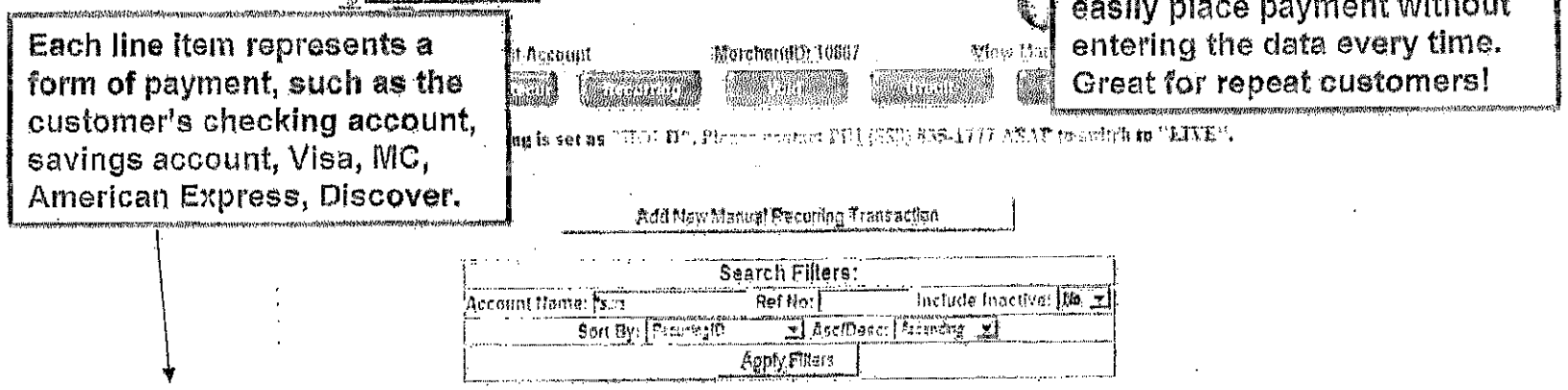
TRANSFIRST

Manual Recur

Merchant can save their customers' data to quickly & easily place payment without entering the data every time. Great for repeat customers!

TRANSACTION

Each line item represents a form of payment, such as the customer's checking account, savings account, Visa, MC, American Express, Discover.



Transactions Processed in the Pacific Time Zone

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TRANSFIRST

First State Bank

Diane Gibson, dgibson@keysbank.com

Please review and respond to the following 3 inquiries.

Responses need to be sent via email to rwittenb@keywestcity.com by close of business Monday, January 31st 2011.

1. Please provide more details on your proposed interface with the City's present system and its proposed use of the Sunguard HTE Click to Gov software; in addition, please specify any hardware/software costs when integrating with the City's present system or any recommended conversion.

   The interface with Sunguard software would be the same as the interface with the AMANO & CALE Kiosk software. First State would provide the contact and merchant identification information needed to be entered into the software by the software provider. First State will also work with the software provider to identify & resolve any issue(s) that prevents the software from communicating with and/or processing transactions through the First State Bank merchant account. As demonstrated by the different issues that have come up with the AMANO system in the past, the steps entailed are entirely case-by-case for each problem. Hardware or software costs would be set by the software vendor, not First State Bank. As a point of reference typical gate way set up fees are $99 with a $20 monthly fee.

2. Please confirm our interpretation of your fees - specifically the transaction/network access fee and whether your stated fee is IN ADDITION to the transaction/network access interchange fee

   The rate quoted is in addition to MC/Visa/Discover Interchange, Dues, Assessments, APF, NABU, Kilobyte and other fees charged by the associations.

   Although the fees listed above are not all the costs involved, these fees are the same for all processors, and all bidders will have to cover these costs.

   The sales amount numbers used to calculate the discount & per transaction fees used in the attached spread sheet includes MasterCard, Visa, Discover, and American Express transactions. The American Express rate is set and charged by American Express. First State did not bundle the American Express with the other card types as that typically results in a higher American Express discount rate.

   To calculate the fees First State would charge, the MC, Visa & Discover transactions have been separated from the American Express transactions and are shown on the revised spread sheet.

   To expand the spread sheet to include information on the fees charged by American Express, we used the debit posted by American Express in early July 2010, as this is typically when American Express charges it's fees for the prior months transactions.

Departments	Total Usage
Revenue Department/Utility Payments/One Swipe Terminal	

# Transactions	699	0.15	104.85
# Sales	$131,839.92	0.18%	237.31
Parking Department/Ticket Payments/One Swipe Terminal			
# Transactions	465	0.15	69.75
# Sales	$23,108.85	0.18%	41.60
Building Department/Permit Payments/One Swipe Terminal			
# Transactions	138	0.15	20.70
# Sales	$27,901.12	0.18%	50.22
Transfer Station/Dumping Payments/ One Swipe Terminal			
# Transactions	49	0.15	7.35
# Sales	$1,918.22	0.18%	3.45
Key West Bight Marina/Fuel Rents Supplies/ Two Swipe Terminals			
# Transactions	468	0.15	70.20
# Sales	$275,163.89	0.18%	495.30
Key West Bight Marina Parking/Parking Payment/ Three Unattended Swipe Stations			
# Transactions	5,042	0.15	756.30
# Sales	$35,599.25	0.18%	64.08
Park-N-Ride/Parking Payments/ One Unattended Pay Stations			
# Transactions		0.15	0.00
# Sales		0.18%	0.00
Garrison Bight Marina/Rental Ramp Parking Payments/ One Swipe Terminal			
# Transactions	282	0.15	42.30
# Sales	$66,991.18	0.18%	120.58
Parking/ Parking Payments/24 Unattended Pay Stations			
# Transactions	24,865	0.15	3,729.75
# Sales	$167,597.15	0.18%	301.67
Online/Parking Ticket Payments and Utility Payments/City Website			
# Transactions		0.15	0.00
# Sales		0.18%	0.00
Total			**$6,115.42**

Revised Spread Sheet

Departments	Total Usage		Discount & Per Transaction Fee	Direct costs from associations	Total MC/Visa Fees	AM EX Fees
Revenue Department/Utility Payments/One Swipe Terminal						
# Transactions	699	$0.15	$104.85			
$ Total Sales	$131,839.92					
$ Sales (AM EX)	$29,758.35					
$ Sales (MC/Visa/DISC)	$102,081.57	0.18%	$183.75			
MC/Visa/Disc Interchange & Assorted Fees				$2,181.81		
Total MC/Visa charges					$2,470.41	
Parking Department/Ticket Payments/One Swipe Terminal						
# Transactions	465	$0.15	$69.75			
# Sales	$23,108.85					
$Sales AM Ex	$5,382.10					
$ Sales MC/Visa/ Disc	$17,726.75	0.18%	$31.91	$401.23		
Total MC/Visa charges					$502.89	
Building Department/Permit Payments/One Swipe Terminal						
# Transactions	138	$0.15	$20.70			
# Sales	$27,901.12					

$ Sales (AM EX)	$7,926.45				
$ Sales (MC/Visa/DISC)	$19,974.67	0.18%	$35.95		
MC/Visa/Disc Interchange & Assorted Fees				$391.95	
Total MC/Visa charges					$448.60

Transfer Station/Dumping Payments/ One Swipe Terminal					
# Transactions	49	$0.15	$7.35		
# Sales	$1,918.22	0.18%	$3.45		
$Sales AM Ex					
$ Sales MC/Visa/ Disc	1548.93			$35.20	
Total MC/Visa charges					$46.00

Key West Bight Marina/Fuel Rents Supplies/ Two Swipe Terminals					
# Transactions	468	$0.15	$70.20		
# Sales	$275,163.89				
$ Sales (MC/Visa/DISC)	$145,209.16				
$ Sales (AM EX)	$129,954.73	0.18%	$233.92		
MC/Visa/Disc Interchange & Assorted Fees				$3,194.40	
Total MC/Visa charges					$3,498.52

Key West Bight Marina Parking/Parking Payment/ Three Unattended Swipe Stations					
# Transactions	5,042	$0.15	$756.30		
# Sales	$35,599.25	0.18%	$64.08		

$Sales AM Ex	0				
$ Sales MC/Visa/ Disc	35,599			$1,139.94	
Total MC/Visa charges					$1,960.32
Park-N-Ride/Parking Payments/ One Unattended Pay Stations					
# Transactions		$0.15	$0.00		
# Sales		0.18%	$0.00		
$ Sales (MC/Visa/DISC)					
$ Sales (AM EX)					
MC/Visa/Disc Interchange & Assorted Fees					
Total MC/Visa charges					
Garrison Bight Marina/Rental Ramp Parking Payments/ One Swipe Terminal					
# Transactions	282	$0.15	$42.30		
$Sales AM Ex					
# Sales	$66,991.18				
$ Sales MC/Visa/ Disc	$55,688.43	0.18%	$100.24	$1,156.90	
Total MC/Visa charges					$1,299.44
Parking/ Parking Payments/24 Unattended Pay Stations					
# Transactions	24,865	$0.15	$3,729.75		
# Sales	$167,597.15	0.18%	$301.67		
$ Sales (MC/Visa/DISC)	$167,597.15				

$ Sales (AM EX)	$0.00			
MC/Visa/Disc Interchange & Assorted Fees			$5,306.21	
Total MC/Visa charges				$9,337.63
Online/Parking Ticket Payments and Utility Payments/City Website				
# Transactions	$0.15	$0.00		
# Sales	0.18%	$0.00		
$Sales AM Ex				
$ Sales MC/Visa/ Disc				
Total MC/Visa charges				
MasterCard/Visa/ Discover Fees		$5,309.26	$13,807.64	
Total				$19,563.81
American Express debit posted in July 2009				$3,81
Total Processing Fees				

3. Below is the PCIDDS contract terms which the City requires its vendors to sign off on. Please review and acknowledge that these terms will be adhered to by your firm.

PCIDSS – Compliant Vendor Contracts

Contract terms that are required under the PCIDSS:

This check list will assist you when drawing up or evaluating contracts with vendors that process your payment card transactions.

[ ] Contractor/vendor/third-party processor must adhere to the PCIDSS (at their own cost of doing business)

First State Bank will adhere to this.

[ ] Contractor/vendor/third-party processor must acknowledge that they are responsible at all times for the security of cardholder data in their possession.

First State Bank will adhere to this.

[ ] If the vendor application is web-facing, vendor must certify compliance with (outside third-party security vulnerability code review or use of an application firewall). This is particularly applicable to point-of-sale (POS) systems and online shopping cart software. Visa USA has a Payment Application Best Practices (PABP) program under which it validates software that has undergone and passed this code security review.

Keeping the software compliant is a responsibility of the software vendor and/or gateway provider, however First State Bank will verify that the software and/or gateway has, and continues to pass the code security review.

[ ] Affirmation by the acquiring bank that its credit card processing AND reporting systems are in compliance with the PCIDSS.

First State Bank will adhere to this.

[ ] Merchant ownership of customer cardholder data and acknowledgement that such data can only be used for completing a payment transaction, providing fraud control services, or for other uses as required by law. Vendor agreement not to disclose any cardholder data in its possession, even if publicly available through other means.

First State Bank will adhere to this.

[ ] Annual proof of compliance with the PCIDSS, with merchant having the option to cancel the contract without penalty in the event that PCIDSS certification lapses, is removed, or the vendor suffers a breach of its payment card processing systems. Compliance documentation should consist of a letter of compliance issued by a third-party auditor approved by the payment card associations and a listing in the official directory of compliant service providers maintained by the payment card associations.

First State Bank will adhere to this.

[ ] Ability to scan the vendor's payment card processing site for security vulnerabilities in accordance with the requirements of the PCIDSS. This would include the following: protocol for

providing and confirming the payment function IP address, interface with the company's chosen PCIDSS-certified scanning vendor, sharing results of scan; and protocol for timely remediation of vulnerabilities discovered.

[ ] Vendor to maintain, at its own cost of doing business, a commercially reasonable disaster recovery and business continuity program, with merchant option to cancel the contract without penalty in the event of a significant disruption, disaster, failure or interruption of the vendor's processing services.

First State Bank will adhere to this.

[ ] Termination clause to ensure that, after termination of the contract for any reason whatsoever, vendor must continue to treat cardholder data as confidential and to protect it at least to the standard required under the PCIDSS.

First State Bank will adhere to this.

[ ] Immediate notification to merchant in the event of a breach of vendor systems or disclosure of cardholder information. This should cover these additional issues:

- Vendor to bear the liability for all costs of notifying customers, providing credit monitoring and other applicable services to customers, fines, costs, and other liabilities related to a security incident and its remediation.
- Merchant ability to control the response and public disclosure of the breach to its customers.
- Merchant ability to immediately terminate contract without penalty in the event of a breach.
- Vendor to fully cooperate with the merchant, the payment card associations, law enforcement, the merchant's acquiring bank and other relevant entities in the immediate investigation and timely remediation of any breach of its systems.

See TransFirst PCI Compliance Document Below.

[ ] Vendor disclosure to merchant of all subcontractors, hosting services, processing entities and other parties providing services necessary to the processing function; vendor to provide timely disclosure to the merchant of changes to subcontractors. Vendor agrees to bind all subcontractors to compliance with the PCIDSS.

First State Bank will adhere to this. Please see TransFirst PCI Compliance document below.

[ ] Vendor to provide secure product installation and implementation guidance to merchant to ensure that system will meet, and continue to meet, the requirements of the PCIDSS. Vendor asserts that merchant can reasonably meet these requirements.

This would apply to the software provider; however First State Bank will assist as needed.

TransFirst PCI Compliance

TransFirst complies with PCI standards including the Payment Card Industry Data Security Standard (PCI DSS), PIN Transaction Security (PTS) and the Payment Application Data Security Standard (PA-DSS). TransFirst passed its most recent PCI audit in May 2010 and is in its 8th straight year of PCI compliance. To see validation of our PCI compliance and to view a list of all PCI compliant service providers and the date of their last audit please visit:
http://usa.visa.com/download/merchants/cisp-list-of-pcidss-compliant-service-providers.pdf.

TransFirst clearly understands the importance of security and privacy for our customers. We ensure that integrated security exists for all information we have stewardship of on our networks. In 2003, TransFirst was validated as being compliant with the VISA USA Cardholder Information Security Program as well as the MasterCard Site Data Protection Program. In 2010, TransFirst achieved its 8th year of CISP/PCI compliance. A commitment to security is ingrained in our corporate culture and has the full support of our employees – we are First in Secure Electronic Payments.

TransFirst considers data protection a primary success factor in serving its merchants. We believe that an effective data protection program:

- Reduces the risk of fraud.
- Enhances the merchant image as a trusted vendor.
- Enables the merchant to achieve compliance with card processing operating agreements.
- Enables TransFirst to maintain compliance with card association compliance requirements as well as state and federal consumer privacy regulations.

To achieve these goals, TransFirst maintains a comprehensive security program implemented and upheld by dedicated Security and Compliance teams. This program is audited each year by a Qualified Data Security Company (QDSC) to validate compliance with Payment Card Industry Data Security Standards (PCI DSS). Personnel from a QDSC are also retained on a nearly full time basis to validate ongoing TransFirst compliance with the PCI-DSS, Visa's CISP (Cardholder Information Security Program), and MasterCard's SDP (Site Data Protection) programs.
TransFirst meets or exceeds all PCI data security requirements. Key aspects of our Information Security program include:

1) Building and Maintaining a Secure Network
   - We install and maintain a firewall configuration to protect data.
   - We never use vendor-supplied defaults for system passwords and other security parameters.

2) Protecting Cardholder Data
   - We encrypt and protect stored data.
   - We encrypt transmission of sensitive cardholder information across public networks.

3) Maintaining a Vulnerability Management Program
   - TransFirst uses and regularly updates antivirus software. Our antivirus system is monitored on a regular basis to ensure its effectiveness.
   - We develop and maintain secure systems and applications. TransFirst has pushed security reviews early into the SDLC process, and gives its developers annual security training on secure

development practices and automated software code review tools (also known as static analysis tools).

4) Develop and Maintain Secure Systems and Applications
   - TransFirst ensures all systems have the latest vendor-supplied security patches.
   - We conduct daily internal and monthly external vulnerability scanning.
   - Public-facing web applications are reviewed regularly by manual or automated application vulnerability assessment tools.
   - Web application firewalls are installed in front of public-facing web applications.

5) Implement Strong Access Control Measures
   - Access to data is granted on a business need-to-know basis.
   - We assign a unique ID to each person with computer access, and maintain SLAs specific to removal of access from both TransFirst-owned and federated applications. These SLAs are monitored on a monthly basis by our Compliance department.
   - Restrict physical access to cardholder data.

6) Regularly Monitor and Test Networks
   - Track and monitor all access to network resources and cardholder data.
   - Regularly test security systems and processes.
   - Data loss protection tools have been implemented to monitor the use of sensitive data on TransFirst computing resources, and ensure that usage conforms to our Information Security Policy.

7) Maintain an Information Security Policy
   TransFirst maintains a living policy that addresses all aspects of Information Security. These are patterned after ISO 17799 and include explicit policies for:
   - Access Control
   - Information Security Audit
   - Cryptographic Controls
   - Physical Security
   - Information Classification and Disposal
   - Incident Response
   - Business Continuity
   - the Systems Development Life Cycle (SDLC) process
   - Change Control
   - Vendor Management
   - End-user Acceptable Use

Our end users are trained annually on our Information Security Policies and regularly reminded of key points by email and poster reminders. New users are also trained on our Information Security Policies upon hire.

TransFirst has developed policies and procedures to ensure that the data entrusted by customers and partners is safe and secure. In the event that we believe there may have been a breach of security, fraud, or misrepresentation in connection with any of the services that we will provide under this agreement, we would immediately and thoroughly investigate the issues while keeping you, our partner, informed during the entire process. Our Incident Response Plan is reviewed and tested on an annual basis and is to be followed in the event of breach of security or significant cyber security incidents. Specifically, our Incident Response Plan (IRP) is designed to:

- Reduce potential direct and indirect financial loss from network intrusions
- Mitigate operational impact from cyber incidents
- Comply with regulatory requirements for information security.
- Meet industry guidance, including Payment Card Industry (PCI) Standards

We characterize cyber incidents as any unwanted, or in some instances, unexplained network or system behavior. We place incidents into the following categories consistent with definitions published by the National Infrastructure Protection Center (NIPC):

- Increased access to informational assets
- Unauthorized disclosure of information
- Corruption of information
- Denial of Service
- Theft of IT resources

We have developed the Incident Response Plan based on NIPC guidelines. At a high level, the strategy outlined in the plan is segmented into three phases:

Phase I: Detection, Assessment, and Triage
Phase II: Containment, Evidence Collection, Analysis and Investigation, and Mitigation
Phase III: Remediation, Recovery, Post-Mortem

This process will be guided by TransFirst's Senior Management and Legal Counsel.

It is important to note that in addition to our internal and external call list, all cardholders and business partners involved in a data compromise will be notified regardless of the state or federal laws that may or may not apply. We work very hard to ensure the safety and security of all information that we maintain or require in the course of doing business with our partners and customers.

TransFirst Merchant PCI Program
TransFirst's suite of products and services is aimed at helping merchants become educated and compliant, as well as reducing the risks inherent in credit and debit card acceptance.

PCI Compliance Program – A full service program designed to both educate the merchant and enable the merchant to achieve PCI compliance. In this offering, TransFirst has partnered with ControlScan, a leader in the industry providing PCI compliance solutions that specifically fit the needs of Level 4 merchants to bring the solution to market. ControlScan's strengths in the PCI arena combined with TransFirst's strengths in the acquiring arena are a powerful combination that takes the complexity out of a confusing topic.

Our Level 1, 2, and 3 merchant PCI needs are handled through additional partnerships such as Security Metrics, Trustwave, and others.

Data Breach Coverage – Knowing that even the most secure merchant can become the victim of a data breach – which can cost the merchant time, money and reputational damage – TransFirst offers our merchant base coverage for the unexpected expenses associated with a breach up to $100K per MID with no deductible. TransFirst's program provides double the protection typically offered in the industry and is automatically included in our TransFreedom product offering.

This educational website contains content related to a variety of compliance topics, delivered in a manner that is factual yet non-threatening from the merchant's point of view. It includes links to other websites, where applicable, to ensure the information is always current and accurate. Current topics include information on the following:

- PCI Compliance Program for Level 4 merchants including links to the systems and technical support staff of our partner, ControlScan, to assist with the completion of the appropriate Self-Assessment Questionnaire and (if applicable) Quarterly Scan.
- PCI Compliance information for Level 1, 2, and 3 merchants.
- Hardware / Software Compliance information.
- Triple DES PIN Debit encryption information.
- Data Breach Coverage.