

**Condensed Title:**

Request For Approval To Issue A Request For Proposals (RFP) For The Installation And Operation Of Citywide Automated Teller Machines (ATM) at various City-owned properties and facilities.

**Key Intended Outcome Supported:**

Improve the City's Overall Financial Health  
**Supporting Data (Surveys, Environmental Scan, etc.):**  
 75% of residents and 68% of businesses rated Miami Beach city government as excellent or good in meeting their needs and expectations.

**Issue:**

Whether the City Commission should approve the issuance of the RFP?

**Item Summary/Recommendation:**

The purpose of this Request for Proposals (RFP) is to establish a contract for the installation, operation, maintenance, and management of automated teller machines (ATMs) to be located at various City-owned properties and facilities. This RFP is intended to be revenue generating and should not create any operational costs for the City.

This contract shall be for a term of three (3) years and may be renewed for an additional two (2) one-year periods. The initial contract prices resultant from this RFP shall prevail for a three (3) year(s) period from this contract's initial effective date. Prior to, or upon completion, of that initial term, the City shall have the option to renew this contract for an additional two (2) one-year(s) period. The successful contractor shall maintain, for the entirety of the stated additional period(s), the same prices, terms, and conditions included within the originally awarded contract. Continuation of the contract beyond the initial period, and any option subsequently exercised, is a City prerogative, and not a right of the successful contractor.

Award of the contract will be made to the responsive, responsible contractor who meets the qualifications and experience requirements, has a proven track of record of successfully managing and operating ATM accounts, and submits an offer that is most advantageous to the City. While it is the City's intention to award a contract to a single vendor for all sites, the City may if it is in the City's best interest, award a contract to more than one vendor.

**THE ADMINISTRATION RECOMMENDS ISSUANCE OF THE RFP.**

**Advisory Board Recommendation:**

**Financial Information:**

Source of Funds:	Amount	Account	Approved
1			
OBPI	Total		

**Financial Impact Summary:**

**City Clerk's Office Legislative Tracking:**

Anna Parekh, ext. 6471

**Sign-Offs:**

Department Director	Assistant City Manager	City Manager
AP GL [Signature] LOPE	HHF [Signature] PDW	JMG [Signature]

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# MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

## COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: March 21, 2012

SUBJECT **REQUEST FOR APPROVAL TO ISSUE A REQUEST FOR PROPOSALS (RFP) FOR THE INSTALLATION AND OPERATION OF CITYWIDE AUTOMATED TELLER MACHINES (ATM) AT VARIOUS CITY-OWNED PROPERTIES AND FACILITIES.**

### ADMINISTRATIVE RECOMMENDATION

Approve the issuance of the RFP.

### KEY INTENDED OUTCOMES (KIOs) SUPPORTED

Improve the City's Overall Financial Health

### BACKGROUND

The purpose of this Request for Proposals (RFP) is to establish a contract for the installation, operation, maintenance, and management of automated teller machines (ATMs) to be located at various City-owned properties and facilities. This RFP is intended to be revenue generating, provide a service to the public, and should not create any operational costs for the City.

This contract shall be for a term of three (3) years and may be renewed for an additional two (2) one-year periods at the City's sole discretion. The successful contractor shall maintain, for the entirety of any renewal period, the same revenue share, terms, and conditions included within the originally awarded contract. Continuation of the contract beyond the initial period, and any option subsequently exercised, is a City prerogative, and not a right of the successful contractor.

Award of this contract will be made to the responsive, responsible contractor which meets the qualifications and experience requirements; has a proven track of record of successfully managing and operating ATM accounts; and submits an offer that is most advantageous to the City. While it is the City's intention to award a contract to a single vendor for all sites, the City may, if it is in the City's best interest, award a contract to more than one vendor.

Based upon a comparable market analysis of the fees charged by large institutions locally, as well as the average of fees charged by ATM operators nationally, the Administration is recommending that the transaction fees be capped at \$2.50. Below, for your information and consideration, is a Comparable Market Analysis.

**COMPARABLE MARKET ANALYSIS**

<b>ATM Machines Located on Miami Beach</b>	<b>Transaction Fee</b>
Publix	\$2.00
Amtrust Bank	\$2.50
PNC Bank	\$2.50
Pointe Bank	\$2.50
Suntrust	\$2.95
Bank of America	\$3.00
BB&T	\$3.00
Chase	\$3.00
CitiBank	\$3.00
City National Bank	\$3.00
HSBC	\$3.00
Ocean Bank	\$3.00
Regions	\$3.00
TD Bank	\$3.00
Wells Fargo	\$3.00

<b>National Average (2011) per Bankrate.com</b>	<b>\$2.40</b>
<b><u>Highest:</u></b>	
New York	\$2.60
Seattle	\$2.63
Houston	\$2.69
San Diego	\$2.70
Denver	\$2.75
<b><u>Lowest:</u></b>	
Cleveland	\$2.06
Minneapolis	\$2.15
Tampa	\$2.19
Chicago	\$2.20
Cincinnati	\$2.22

The Transaction Fee is the amount charged to an ATM user by the ATM owner.  
 The Transaction Fee is in addition to any charge which the ATM user's bank may charge.

**ACCEPTANCE OF THE ATM MACHINES BY THE CITY**

The ATM machines to be provided hereunder shall be delivered to the City, and maintained in full compliance with the specifications and requirements set forth in the RFP and subsequent contract. If an ATM machine is determined to not meet the specifications and requirements of the contract, either prior to acceptance or upon initial inspection, the ATM will be removed by the contractor. The contractor shall provide a direct replacement for the non-compliant ATM. The contractor shall not assess any charge(s) for any conforming action taken by the City under this clause.

**ADDITIONAL FACILITIES MAY BE ADDED**

Although the RFP and resulting contract identifies specific facilities to be serviced, the contractor will agree and understand that any City facility may be added to their contract at the sole option of the City. The City envisions adding ATMs at the Miami Beach Convention Center after the existing agreement with City Cash expires on September 30, 2013.

The price structure for any future additional facilities shall be subject to the City's approval.

### **DELETION OF FACILITIES**

Although this RFP identifies specific facilities to be serviced, the contractor will agree and understand that the City may delete service for any facility when such service is no longer required during the contract period; upon fourteen (14) calendar day's written notice to the contractor.

### **LICENSES, PERMITS AND FEES**

The contractor shall obtain and pay for all licenses, permits and inspection fees required for this project; and shall comply with all laws, ordinances, regulations and building code requirements applicable to the work contemplated herein related to the installation and proper functioning of the ATM machines. Damages, penalties and or fines imposed on the City or the contractor for failure to obtain required licenses, permits or fines shall be borne by the contractor.

### **SUBSTITUTION OF ATM DURING TERM OF CONTRACT**

Substitute brands or models may be considered during the contract period for discontinued or defective/damaged models. The bidder shall not deliver any substitute ATM as a replacement for a brand or model without express written consent of the City. Substitute ATMs must be of equal or better quality than the original equipment.

### **ATM REQUIREMENTS**

Each ATM must accept a combination of credit, debit or check cashing cards, as well as government-issued entitlement cards such as EBT cards provided to Social Security, Medicare and/or Medicaid recipients. Each ATM should provide access to other area bank ATM cardholders whose banks are part of local, regional, national and/or international networks. Each ATM shall offer, at a minimum, the capability of processing at least three (3) networks such as: "Plus", "Cirrus", "Pulse", "Honor", "MAC", "NYCE", "Quattro", "Presto", "Star", and/or others. In addition, each ATM shall offer, at a minimum, Visa and MasterCard credit card acceptance.

Each ATM must provide cash withdrawal from checking and/or savings accounts, account transfers, and balance inquiries, and must be capable of dispensing paper currency in at least twenty dollar (\$20.00) denominations.

ATMs shall have the capability of being programmed in at least two (2) languages. The City prefers English and Spanish.

The ATMs must be attractive, functional, and resistant to rough usage and vandalism.

ATMs must have systems management capabilities for predicting, assisting, and reporting maintenance. All ATMs shall be clearly marked with the ATM number, and have a 24-hour toll free telephone number to call for inquiries, maintenance issues, complaints or customer service issues.

ATMs should be located within areas approved by the City, against solid walls and away from any glass doors or storefront glass. ATMs should not be located within open

terraces or verandas, or within open courtyards, and should not obscure or block historic or architecturally significant features, finishes or fixtures.

### **SERVICES**

The contractor shall, at its sole cost and expense, install, operate, and maintain the ATM machines at City approved locations in the facilities described herein.

The ATMs shall be installed in a manner compatible with the existing electrical, mechanical, and structural design of the premises. ATM services shall be provided with consideration regarding the regular scheduled opening and closing of the buildings, and services shall be available 24 hours per day, 7 days per week, including holidays.

The contractor shall regularly service each ATM so that it will at all times be properly stocked, cleaned, and in condition for use, and shall keep the ATM locations in good order and repair and shall not allow the accumulation of waste in the areas. The contractor shall provide a twenty-four (24) hour response time for machine repairs and/or replacement.

The contractor shall repair any holes in the walls and flooring resulting from the installation or removal of the ATM machines.

The contractor shall be responsible for any security services in addition to those customarily provided at the building, and will be liable for any amount and damage to equipment installed and any contents of the ATM machines.

The awarded contractor shall pay for the telephone services associated with the ATMs.

### **ADD ALTERNATES**

The contractor shall propose any additional sources of revenue to the City, and the amount of said revenue, as a result of the operation of the ATM machines (i.e. advertising, etc.).

The City reserves the right, at its sole discretion, to select none, any, or all Add Alternates

### **REPORTING REQUIREMENTS**

The contractor shall keep detailed monthly records on the number of total viable transactions and foreign transactions separately for each ATM machine to determine commissions payable to the City. Detailed records on the monthly transactions per machine must be submitted to the City's Contract Administrator, no later than the fifteenth (15<sup>th</sup>) of each month for the preceding reporting period.

### **MINIMUM GUARANTEE (MG)**

In consideration of the City executing a concession agreement and granting the rights provided in the agreement, the successful contractor shall guarantee and pay to the City an annual minimum concession fee (MG). The MG shall be due upon commencement of the agreement and each anniversary thereafter, including any approved renewal term.

### **PAYMENTS AND TRANSACTION FEES**

The contractor shall propose to the City the transaction fee charges and/or surcharges levied to cardholders and non-cardholders. Transaction fees or surcharges may not be altered without written approval by the City, and may not exceed the City's established cap.

The contractor shall pay a percentage of the transaction fee charges and/or surcharges to the City. During the initial term, and any approved renewal term, within thirty (30) days of the anniversary of the agreement, the successful contractor shall pay to the City any amount in excess of the MG which is derived from the City's portion of the transaction fees.

### **REQUIRED SUBMITTALS**

The contractor must provide written evidence of the following minimum criteria requirements:

Be on a list of Qualified Public Depositories as designated by the Office of State Treasurer, and as required by the Florida Security of Public Deposits Act, Chapter 280, Florida Statutes.

Must provide at least five (5) clients as references, preferably government agencies.

### **PERFORMANCE BOND OR ALTERNATE SECURITY:**

The successful contractor shall furnish the City with a security deposit, as agreed to by the City. Said security shall serve to secure the successful contractor's performance in accordance with the provisions of the concession agreement. In the event the successful proposer fails to perform in accordance with said provisions, the City may retain said security, as well as pursue any and all other legal remedies provided in the concession agreement, or as may be provided by applicable law.

### **ATM LOCATIONS**

All locations will have at least one (1) machine. For any historic properties (identified with an asterisks (\*) below), a Certificate of Appropriateness will be required to be obtained by the successful contractor. The exact position of the ATM machines at each location shall be subject to prior approval by the City.

1. CITY HALL PARKING GARAGE  
1755 Meridian Avenue
2. 1701 MERIDIAN AVENUE (CITY HALL ANNEX)-LOBBY  
777 17<sup>th</sup> St.
3. SCOTT RAKOW YOUTH CENTER AND ICE RINK  
2700 Sheridan Avenue
4. \*HISTORIC CITY HALL  
1130 Washington Avenue

5. \*SOUTH SHORE COMMUNITY CENTER  
833 6<sup>TH</sup> Street
6. \*21<sup>st</sup> STREET RECREATION CENTER  
2100 Washington Avenue
7. \*OCEAN FRONT AUDITORIUM  
1001 Ocean Drive
8. NORTH SHORE RECREATION CENTER & TENNIS CENTER  
501 72<sup>ND</sup> Street
9. \*POLICE ATHLECTIC LEAGUE AND RECREATION CENTER  
999 11 ST
10. \*FLAMINGO PARK TENNIS  
1235-1255 Michigan Avenue, inside Flamingo Park
11. \*7<sup>th</sup> STREET PARKING GARAGE  
210 7<sup>TH</sup> St.
12. \*12th STREET PARKING GARAGE  
512 12<sup>TH</sup> St.
13. \*13th STREET PARKING GARAGE  
1301 Collins Avenue
14. \*16th STREET PARKING GARAGE  
1557 Washington Avenue
15. 17th STREET PARKING GARAGE  
640 17<sup>th</sup> St.
16. 42nd STREET PARKING GARAGE  
400 42<sup>ND</sup> Street
17. PENNSYLVANIA GARAGE  
1661 Pennsylvania Avenue
18. MIAMI BEACH CONVENTION CENTER (4 ATMs) (not currently available)  
1901 Convention Center Drive
19. MIAMI BEACH GOLF CLUB  
2301 Alton Road
20. NORMANDY SHORES GOLF CLUB  
2401 Biarritz Drive

### **EVALUATION CRITERIA**

The Evaluation Committee appointed by the City Manager will review all responsive proposals received and score and rank the contractor based on the following criteria:

1. The experience and qualifications of the contractor (30 points);
2. The methodology and approach for a turnkey solution that results in the highest level of customer service; (25 points);
3. Successful performance in providing and maintaining ATMs as evidenced by performance evaluation surveys and reference checks conducted by the Administration (25 points); and
4. Proposed revenue to the City (20 points).

**LOCAL PREFERENCE:** The Evaluation Committee will assign an additional five (5) points to Proposers, which are a Miami Beach-based vendor as defined in the City's Local Preference Ordinance.

**VETERANS PREFERENCE:** The Evaluation Committee will assign an additional five (5) points to Proposers, which are a small business concern owned and controlled by a veteran(s) or a service-disabled veteran business enterprise, as defined in the City's Veterans Preference Ordinance.

### **CONCLUSION**

The Administration recommends that the Mayor and City Commission approve the issuance of the RFP with the purpose and intent of providing a service to the public while generating revenue for the City.

JMG/HF/GL/AP/MM

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