

90516

Date: January 21, 2022

To: Honorable Board of Acquisition and Contract

From: Ann Marie Berg
Commissioner of Finance

Marguerite Beirne
Chief Information Officer

Re: Authorization for the County of Westchester to enter into an agreement with Key Merchant Services, LLC through New York State Contract No. PS68914 for an Electronic Value Transfer Program for the acceptance and processing of three nationally recognized credit/charge cards for a ten (10) year term commencing retroactive to December 20, 2019 for an annual amount currently estimated to be \$175,000, for a total amount not-to-exceed \$1,850,000.

Authority is requested for the County of Westchester (“County”), acting by and through its Department of Finance (the “Department”), to enter into an agreement with Key Merchant Services, LLC (“KMS”), through New York State Contract No. PS68914 (the “Agreement”), pursuant to which KMS will provide the County with an Electronic Value Transfer (“EVT”) Program, including credit card processing services, payment gateway services, transaction interfaces (including equipment rental) and related services for three of the four nationally recognized credit/charge cards (MasterCard, Visa, Discover).

The County’s previous contract with KMS for these services through New York State Contract No. PS65792 expired on August 2, 2017, but was renewed for an additional five (5) year term. The State then negotiated a new contract with KMS for a ten (10) year term commencing on December 20, 2019. As such, it will now be necessary for the County to enter into a new ten (10) year contract with KMS commencing retroactive to December 20, 2019.

Pricing will be as set forth in Contract PS68914. The combined annual equipment rental, transactional, and services fees associated with the Agreement are currently estimated to be One Hundred Seventy Five Thousand (\$175,000) Dollars and will be charged to the respective user departments’ revenue or expense accounts, where appropriate. The total amount payable by the County to KMS during the term of the Agreement shall not exceed the sum of \$1,850,000. Payment shall be subject to appropriations. In addition, the County shall have the right to cancel the contract on thirty (30) days written notice for cause.

Attached hereto as Schedule "A" is a list of the County locations where credit cards are currently accepted under this program. Other locations may be added to the list with the approval of the Commissioner of Finance and subject to the County's business needs. It should be noted that the County uses a different vendor for certain Point of Sale transactions at County Park locations.

It should be further noted that the Department also seeks to enter into a separate State contract with American Express. However, because this contract will have different commencement and expiration dates, a separate resolution will be submitted for your Board's consideration.

By Act No. 8-2002, the Westchester Board of Legislators authorized the County, pursuant to General Municipal Law §5, to enter into agreements with financing agencies or card issuers to provide for the acceptance of credit cards by the County Clerk and the Commissioner of Finance and their designees, as a means of payment of fines, civil penalties, rent, rates, taxes, fees, charges, revenue, financial obligations or other amounts, including penalties, special assessments and interest owed to the County. Accordingly, if the attached resolution is approved, the County shall obtain credit card services through New York State Contract PS68914 and rent or purchase equipment thereunder necessary to provide credit card processing services.

This agreement will serve a public purpose by offering the County the opportunity to obtain more favorable discount rates through the New York State contracts thereby reducing the user departments' costs and to accept credit cards over the internet and telephone as well as point of sale.

The goals and objectives of this Agreement are to achieve the aforementioned public purposes. The goals and objectives will be tracked and monitored through the Department of Finance and the County Clerks' Office for their respective accounts.

The Agreements is exempt from the County Procurement Policy pursuant to Section 3(a)i thereof which exempts procurements made pursuant to New York State General Municipal Law Section 104.

I recommend that your Honorable Board act favorably on the attached resolution.

AMB/MB/LB/jpg
Attachment

RESOLUTION

Upon a communication from the Commissioner of Finance and the Chief Information Officer, be it hereby:

RESOLVED, that the County of Westchester (“County”) is authorized to enter into an agreement with Key Merchant Services, LLC (“KMS”) under New York State Contract No. PS68914 (the “Agreement”), pursuant to which KMS will provide the County with an Electronic Value Transfer Program, including credit card processing services, payment gateway services, transaction interfaces (including equipment rental) and related services, for three of the four nationally recognized credit/charge cards (MasterCard, Visa, Discover) for a term commencing retroactive to December 20, 2019 and continuing through December 19, 2029; and be it further

RESOLVED, that attached hereto as Schedule “A” is a list of the County locations where credit cards are currently accepted. Other locations may be added to the list with the approval of the Commissioner of Finance and subject to the County’s business needs; and be it further

RESOLVED, that in consideration for services rendered, the County shall pay KMS an annual amount currently estimated to be One Hundred Seventy-Five Thousand (\$175,000) dollars, at the rates set forth in Contract No. PS68914, for a total amount not-to-exceed of One Million Eight Hundred Fifty Thousand (\$1,850,000) dollars; and be it further

RESOLVED, that the above reference fees shall be charged to the respective user departments’ revenue or expense accounts, where appropriate; and be it further

RESOLVED, that the County shall have the right to cancel the Agreement on thirty (30) days written notice for cause; and be it further

RESOLVED, that this Agreement is subject to County appropriations; and be it further

RESOLVED, that this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the “State Budget”) proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Contractor, then the Contractor shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

RESOLVED, that the County Executive or his duly authorized designee is hereby authorized to take such action and execute such documents as may be necessary and proper to effect the purposes hereof.

Schedule "A"

1. Department of Parks Recreation and Conservation
2. Westchester County Center
3. Department of Human Resources
4. Consumer Protection
5. Department of Health
6. County Clerk
7. Westchester County Airport
8. Department of Tourism

APPROVED BOARD OF ACQUISITION & CONTRACT - 02/24/2022 - RAYMOND SCULKY, SECRETARY