

(Contract Management Use only)

CONTRACT APPROVAL FORM

CONTRACT TRACKING NO.

CM1903

CONTRACTOR INFORMATION

Name: Intuition Systems, Inc. "Bill2Pay"

Address: 4700 140th Avenue N., Suite 106, Clearwater, FL 33762-3546
City State Zip

Contractor's Administrator Name: Iris Kraft Title: Director of Payment Processing

Tel#: 727-524-3511 Ext. 250 Fax: _____ Email: iris.kraft@bill2pay.com

CONTRACT INFORMATION

Contract Name: Payment Processing Services Contract Value: Est. \$2,000/yr.

Brief Description: Processing of electronic payments for BOCC departments

Contract Dates : From: 10/01/2012 to 09/30/2014 Status: New Renew Amend# WA/Task Order

How Procured: Sole Source Single Source ITB RFP RFQ Coop. Other "Financial Service" exemption

If Processing an Amendment:

Contract #: _____ Increase Amount of Existing Contract: _____ No Increase

New Contract Dates: _____ to _____ TOTAL OR AMENDMENT AMOUNT: _____

APPROVALS PURSUANT TO NASSAU COUNTY PURCHASING POLICY, SECTION 6

- | | | | |
|----|--|------------------------|---|
| 1. | <u>[Signature]</u>
Department Head Signature | <u>9-24-12</u>
Date | <u>Various Departments</u>
Funding Source/Acct # |
| 2. | <u>[Signature]</u>
Contract Management | <u>9-24-12</u>
Date | |
| 3. | <u>[Signature]</u>
County Attorney (approved as to form only) | <u>9-24-12</u>
Date | |
| 4. | <u>[Signature]</u>
Office of Management & Budget | <u>9-24-12</u>
Date | |

RECEIVED
CONTRACT MANAGEMENT
2012 SEP 25 AM 11:09

Comments: _____

COUNTY MANAGER - FINAL SIGNATURE APPROVAL

[Signature] 9/24/12
Ted Selby Date

RETURN ORIGINAL(S) TO CONTRACT MANAGEMENT FOR DISTRIBUTION AS FOLLOWS:

- Original: Clerk's Services; Contractor (original or certified copy)
- Copy: Department
- Office of Management & Budget
- Contract Management
- Clerk Finance

Sole Source/Single Source Certification Form

Vendor Name: Bill2Pay Department: OMB (on behalf of numerous county departments)
Address: 4700 14th Ave N. #106 Department Head Signature: [Signature]
Clearwater, FL 33762 Date: 9-19-12
Phone: 813-421-4595 Account: Various Departments
Contact Name: Kyle Crawford

Description of Commodity:

Merchant Agreement for Payment Processing Services

Check one (1) of the following two (2) choices:

- Sole Source: The required goods or services can only be procured from one vendor.
- Single Source: The required goods or services can be purchased from multiple vendors, but in order to meet certain functional or performance requirements only one economically feasible source exists.

Please check all of the following that apply:

- Purchase can only be obtained from original manufacturer-not available through distributors.
- Only authorized area distributor of the original manufacturer.
- Parts/Equipment are not interchangeable with similar parts of another manufacturer.
- This is the only known source that will meet the specialized needs of this department or perform the intended function.
- This source must be used to meet warranty or service maintenance requirements.
- This source is required for standardization.
- None of the above apply.

Comments/Explanations: (required)

Bill2Pay partners with our bank (Fifth Third) to provide this service to its customers. This is also the vendor the Tax Collector uses. Request approval for standardization throughout the Constitutional offices who consolidate IT services. (See attached memo).

Approval:

[Signature] 9/19/12
County Manager Date



NASSAU COUNTY
BOARD OF COUNTY COMMISSIONERS
 96135 Nassau Place, Suite 1
 Yulee, Florida 32097

Daniel B. Leeper
 Stephen W. Kelley
 Stacy T. Johnson
 Barry V. Holloway
 Walter J. Boatright

Dist. No. 1 Fernandina Beach
 Dist. No. 2 Amelia Island
 Dist. No. 3 Yulee
 Dist. No. 4 Bryceville/Hilliard
 Dist. No. 5 Callahan

JOHN A. CRAWFORD
 Ex-Officio Clerk

DAVID A. HALLMAN
 County Attorney

TED SELBY
 County Manager

MEMORANDUM

TO: Ted Selby, County Manager
FROM: Shanea Jones, OMB Director
SUBJECT: Bill2pay Merchant Processing
DATE: September 19, 2012

There are several departments within the Nassau County Board of County Commissioners that are interested in accepting credit cards for their fees and services. This is not only a convenience for our Citizens who ask for this option frequently but also an opportunity to collect revenue owed to the County in a more efficient manner. We believe the acceptance of credit card payments will result in less accounts being sent to collections and a higher collection rate for the County. The Office of Management and Budget is requesting permission to procure this service through Bill2Pay. The estimated cost to the county is less than \$2,000 annually but will vary depending on the volume processed and we won't have an exact figure until after the service is offered.

Fifth Third Bank, the banking institution for the Nassau County Board of County Commissioners, partners with Bill2pay to offer payment processing services to their customers. At the time the Clerk issued a RFP for banking services, Fifth Third included an option in their bid for the County to accept electronic payments through Bill2Pay but the County was not ready to offer that service to Citizens at that time. Additionally, the Nassau County Tax Collector uses Bill2pay for their electronic payment processing. Since the BOCC, SOE, Tax Collector and Property Appraiser have consolidated IT services and staff, we believe it would be in the best interest of the County to have one vendor performing these services for all of the mentioned offices.

We have not had the opportunity to contact all the government entities referenced by Bill2pay. However, some of the agencies contacted did not bid out this service because their purchasing policy, as does ours, exempts Financial Services from the bid process. Some other governmental entities using Bill2pay have provided their RFPs and responses. The pricing Bill2pay is offering Nassau County BOCC is less than the contracts we have reviewed.

(904) 491-7380 or (866) 474-1446

An Affirmative Action / Equal Opportunity Employer

As you know, Nassau-Amelia Utilities uses a separate bank than the BOCC and is the only BOCC department that currently accepts electronic payments. Merchant E-Solutions is used for their credit card processing. Recently, the average processing invoice has increased to \$3,600 per month. Once we've had the opportunity to get the rest of the County up and running and staff trained, the goal will be to transfer the NAU credit card processing over to Bill2pay saving the county approximately \$40,000 annually in banking fees.

Because of the partnership with the BOCC's bank and for standardization of the IT portion of this service, I request that you approve the contract with Bill2pay. Thanks.



Payment Processing Services Agreement

10/1/12 2:23 PM -2

This Payment Processing Services Agreement (the "Agreement") is made this 1st day of Oct., 2012 by and between **Intuition Systems, Inc** ("Bill2Pay") a Florida corporation, with offices in Jacksonville and Clearwater, Florida, hereinafter referred to as "Company", and **Nassau County, FL**, with office in Yulee, FL, hereinafter referred to as "Client".

In consideration of the mutual covenants contained herein the parties hereby agree as follows:

1. **SERVICES AND PROCEDURES** - Company shall furnish the services and implement the general product as set forth in the attached Exhibit A which is incorporated herein by reference and made a part of this Agreement.
2. **TERM** - This agreement shall have an initial twenty-four (24) month term ending at midnight on September 30 2014 but can be renewed for successive one year terms by written consent of both parties
3. **FEES** - As consideration for the services herein, Client shall pay to the Company the fees according to the condition of fees contained in Exhibit B.

The fees defined in Exhibit B, page are fixed for the initial twenty-four (24) month term of the Agreement provided the Client does not initiate a change in the form of its customer payments, Automated Voice Response Systems (IVR), Web pages and links, operating procedures, invoices, account numbers or any other substantial changes that are not in accordance with the agreed upon services description as described in Exhibit A. Should Client desire to make any such change, it shall give the Company at least thirty (30) days advance written notice and Client shall be responsible for any additional expenses incurred by Company as a result of Client instituting any such change. Company does not control credit card processing rates and or rules, which may change. The Company will increase the electronic pricing structure that is outlined in Exhibit B, to reflect increased rates or increased costs resulting from changes in rates or rules. Company and Client shall also have the right to terminate this Agreement without cause by providing the other party sixty (60) days advance notice of the date of termination.

4. **BILLING** - Company will monthly send Client an invoice for regular prices and charges, or report any convenience fee collected and pass through charges detailing volumes for the number of transactions processed and other charges as identified within the invoice. Any equipment costs such as swipers or maintenance fees if applicable will be invoiced to the Client. Client shall pay invoices within forty-five (45) days of issue. Invoices not paid within 45 days of the billing date shall be charged interest each calendar day at the stated rate, as hereinafter defined. Should Client object to any invoice or portion thereof, Client shall pay such invoice under protest. Should the parties not be able to resolve such dispute the matter shall be resolved pursuant to paragraph 6.D. The stated rate means a daily interest rate, the denominator of which is 365 and the numerator of which is equal to eighteen percent (18.0%). Said interest shall accrue from the date of the initial billing and shall continue to accrue until invoice is paid in full. Payment will be sent to the following address:



Invoices and detail will be sent to:
Nassau County BOCC-OMB
96135 Nassau Place Suite 2
Yulee, FL 32097

Payment will be sent to:
Bill2Pay
4700 140th Ave. N. Suite 106
Clearwater, FL 33762-3546

5. RESPONSIBILITIES -

A. RESPONSIBILITY FOR THE DATA: Company assumes no liability for loss of input payment data, checks or other information before such data is in possession of Company. Company does not guarantee any payment for goods or services provided by Client. Company shall not be liable for any consequential or indirect damages. Company will reimburse Client for the recovery of overdraft fees charged to a Client customer as a direct result of a payment transaction error by Company. Company will further reimburse Client for any payments made by Client to Company which may be subsequently reversed for any reason. The term Company shall include all employees, directors and officers of Company as well as independent contractors hired by the Company to perform any part of the services to be furnished under this agreement. Possession of the data by the Company first occurs when the items to be processed are delivered electronically and successfully stored by the Company's electronic payment application, or when items to be processed are delivered physically to Company's lockbox processing facility and ends when the information has been processed and delivered to the Client's depository institution. Company ensures the protection and integrity of the data in its systems.

B. TIME OF CLAIMS - Except for fees due hereunder, notice of every claim, regardless of form, which in any way arises out of this Agreement shall be made by the party obtaining such knowledge to the other party within six (6) months after the basis for such claim becomes known to the party desiring to assert it.

C. EARLY TERMINATION - Either party may terminate this agreement upon written notice to the other party if the other party breaches any material term or condition of the Agreement (including without limitation, failure to meet service standards) and such breach remains uncorrected for thirty (30) days following the date of receipt of written notice to such breaching party specifying the breach. In the event of non-payment or withholding of any fees claimed by Company to be owing to it, the cure period shall be reduced to seven (7) days from which Company has rendered written notice, and if not cured within such time, the Company may immediately terminate the Agreement. Either party may terminate this agreement for convenience upon (60) sixty days written notice to the other party.

6. MISCELLANEOUS -

A. ENTIRE AGREEMENT - This agreement shall constitute the entire agreement between the parties. This agreement shall not be amended or modified unless done so in writing and signed by the parties. No other representations have been made by either of the parties other than what has been set forth herein.

B. NO OTHER REPRESENTATIONS - All of the representations made by Company with respect to the provisions of the services are as set forth in this Agreement and Client acknowledges that it has not relied upon any other prior statements or negotiations.

C. SEVERABILITY - If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would



become valid or enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

D. CHOICE OF LAW - The parties agree that they, with respect to any dispute arising from or relating to this Agreement, shall be decided through arbitration under the Rules of the American Arbitration Association, which shall be held in Lake County, Florida. This Agreement shall be governed by the laws of the State of Florida.

E. WAIVER OF JURY TRIAL - The parties agree that they both waive any right to a jury trial with respect to any dispute arising from or relating to this Agreement.

F. CONTACT INFORMATION – The primary point of contact during the contract period shall be designated in writing to the other party.

G. INSURANCE AND BOND - The Company shall maintain Worker's Compensation Insurance which shall fully comply with the statutory requirements of all applicable state and federal laws and Employers' Liability Insurance with limits of \$500,000 each accident, \$500,000 for disease – each employee, \$500,000 for disease – policy limit and Commercial General Liability Insurance with a minimum combined single limit of liability of \$1,000,000 per occurrence per location and \$2,000,000 aggregate for bodily injury and/or death and/or property damage and/or personal injury. This policy shall include products, completed operations coverage, and Broad Form Contractual Insurance specifically covering this Agreement.

Company shall be responsible for loss to Client caused directly or indirectly by Company and Company shall maintain Fidelity Bond coverage for the dishonest acts of its employees in a minimum amount of \$1,000,000.

7. NOTICES - Whenever, under this Agreement, one party is required to give notice to the other, such notice shall be deemed given, if mailed by United States mail, registered or certified mail, return receipt requested, postage prepaid and addressed as shown below. Either party may at any time change its address for notification purposes by mailing as aforesaid a notice stating the change and setting forth the new address.

Client

Nassau County BOCC
96135 Nassau Place Suite 2
Yulee, FL 32097

Company

Bill2Pay
4700 140th Ave. North, Suite 106
Clearwater, FL 33762

8. FORCE MAJEURE - Suspension of Operations. Client understands that the performance of these services will be provided in either Company's Clearwater, Florida facility or Jacksonville, Florida facility. Should both of these facilities be unavailable due to causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy, acts of the government, foreign or domestic terrorists, fires, floods, epidemics, strikes, labour disturbances or freight embargoes (but not including delays caused by subcontractors or suppliers), provided that, in the case of Company, Company shall within four (4) hours from the beginning of such delay, notify Client of the cause of delay and Company's contingency plan to cure such delay; however, if a delay exceeds a total of five (5) days, Client may immediately with necessity of further notice, terminate this Agreement. Further, where Company is prevented from providing the Services due to a cause listed in this paragraph, Company shall use its best efforts to resume Services as soon as such cause ends.

Neither party shall be liable for damages for delay in Services herein arising out of those items listed above under Section 8.



9. OTHER ATTACHMENTS - If applicable.

In Witness whereof, the parties hereto have executed this Agreement as of the day, month and year first above written, by the undersigned officer's thereunto duly authorized.

Intuition Systems, Inc.

By: Chris Kraft

Name: Iris Kraft

Title: Director of Payment Processing

Date: 09/14/2012

Client

By: Ted Selby

Name: Ted Selby

Title: County Manager

Date: 9/24/12



Electronic Services

Company shall provide a payment system to the client that will allow the client to take credit/debit card and E-Check (ACH) transactions for its end users. Company's payment channels include our Point of Sale (POS), Online, Interactive Voice Response (IVR) and Text Payment Solutions, where the POS Solution is part of our Client Administration Tool, which is necessary to have in order to take walk up / face to face, online IVR or text payments.

1. **Client Administration Tool:** Company's Client Administration Tool is a simple-to-use web based system that will allow for managing end users credit/debit and E-Check (ACH) payment transactions. Client will be provided with a secure web link. The Client Administration Tool is a self-managed application and has the following features built in:
 - a) **Real-Time Reports** - All payment transactions are recorded in real-time into our reports. The daily reconciliation and payment transaction reports are two ad hoc reports which the client can create on demand. The payment report is used for managing the payment transactions and the transaction reconciliation report will match to the penny to our of client's bank deposits. Both reports can be exported into XML, CSV and PDF formats.
 - b) **Point-Of-Sale (POS) Solution** -The POS Solutions gives the client the ability to take credit/debit and E-Checks (ACH) payments for walk-in or phone-in payments. Once the credit/debit card or E-Check (ACH) transaction is approved, the payment will be recorded in Bill2Pay's reports in the Administration Tool in real-time. **Note:** If a phone E-Check (ACH) payment is taken by the client the conversation needs to be recorded.
 - c) **User Level and Office Manager** - The Client Administration Tool lets the client set up different user level rights. It is also possible to set up different offices/payment locations within the system.
 - d) **Payments Search** - The Systems Payment Search function lets the client specify different search criteria to find a particular payment transaction.
 - e) **Other Functions** - The client will have the ability to void/return payments, and print duplicate receipts.

2. **Online Solution:** The online payments solutions allows the clients end users to make a credit/debit card and/or E-Check (ACH) payment online via the company's secure payment website link, which will be hosted by the company. The payment website link will be branded to the client's website by the company to give the payments web links the look and feel of the client's website. The Web payments page states clearly that the processing (convenience) fee for credit/debit card and E-Check (ACH) payments is being applied by a third party, Bill2Pay, not the Client. Once the credit/debit card or E-Check (ACH) transaction is approved, the online payment will be recorded in Bill2Pay's reports in the Administration Tool in real-time. The Web payments page clearly states how customer information is handled (i.e. for customer authorized payment transactions only, and for no other purpose). **Implementation and Data File integration charges may apply as outlined in the Pricing Sheet in Exhibit B.**

3. **Client Training and System Support:**
 - a) Bill2Pay will train the client at no cost on how to use the Bill2Pay system via online web sharing training tools.
 - b) The Client will be provided with an account representative that will be available to the client during client's normal business hours. The client will be provided with an after hour support number and e-mail address.
 - c) Bill2Pay's Call Center to answer customer payments questions is open Monday through Friday from 9 am to 6 pm Eastern Standard Time and will be closed during major holidays like President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving, Christmas and New Years.

**4. Systems Testing:**

Upon execution of the contract, the Parties shall begin implementation activities that include a thorough testing regimen to confirm that Company and the Client are prepared to accept and accurately process all transmissions.

5. Other Items:

- Client is responsible for all Chargebacks and Returned E-Check (ACH) transactions. The Company shall immediately reimburse all Chargebacks/Returned E-Checks (ACH), including through netting out the Chargeback/ Returned E-Check (ACH) amount from the next deposit, regardless of the ultimate resolution.
- If required by the credit card organizations, client will enter into all applicable Merchant Card Agreements and fully adhere to the rules, regulations and operating procedures of the various Card organizations, including without limitation, with respect to the use of specific Card logos and marks.
- If the funds are available and not subject to reversal, the Company will transfer the monies collected into the Clients bank account within two business days following the midnight of the day the funds are deposited with Company. The two business day funding option is only available if no American Express Credit Cards are accepted. If American Express Credit Card transactions are accepted the Company will transfer the monies collected into the Clients bank account within three business days following the midnight of the day the funds are deposited with Company.
- Data transmissions must be compatible with the Client's accounts receivable application; Company's payments processing systems and Data transmissions must be compliant and compatible with any applicable Health Insurance Portability and Accountability Act (HIPAA) provisions, PCI provisions, and Red Flag compliant.
- Company will maintain functionality of Bill2Pay Electronic in compliance with all state, county, and municipal mandates and laws. Client will notify Company of any upcoming changes in this regard.
- Company ensures the integrity and protection of the data in its systems.
- Client will ensure that terminated client's employee's user account will be deactivated or deleted in Bill2Pay's system upon client's employee's termination.



I. Electronic Pricing

Payment Category:

All pricing for electronic payments is subject to increase under section 3 of the Agreement.

Nassau County Various Departments- Convenience pricing

Channel: POS Online IVR

Pricing: Please check one or the other:

Convenience Fee Pricing * / Transaction Based Pricing **

Please check all payment methods that will be accepted:

Visa MasterCard Discover American Express (A Merchant Agreement is required)

ACH (E-Check) - Monthly Minimum: N/A Escrow Agreement Yes or No

Credit Card Price: \$2.50 per \$100 of payment. eChecks \$2.50 each for all channels.

Nassau County Various Departments- Absorbed pricing

Channel: POS Online IVR

Pricing: Please check one or the other:

Convenience Fee Pricing * / Transaction Based Pricing **

Please check all payment methods that will be accepted:

Visa MasterCard Discover American Express (A Merchant Agreement is required)

ACH (E-Check) - Monthly Minimum: N/A Escrow Agreement Yes or No

Absorbed Credit Card Price: 2.5%. eChecks \$2.50 each for all channels.



Implementation Options – Add on Features

Card Swipes(optional for counter channel): (Quantity) x \$85.00 = \$ (Card Swipers will be maintained by Bill2Pay)
\$30 annual maintenance fee per swiper purchased

IVR one time implementation fee of \$250 per hour(estimated at \$4,000-\$8,000)

API \$5,000 one time implementation fee

File integration for utility and fire & rescue payments(fee waived)

Other Implementation Fee

Chargeback Fee: \$20.00 per Chargeback

NSF Fee: \$5.00 per Returned E-Check (ACH)

* All Merchant Applications costs and fees are paid by Company for credit/debit card processing

** All Merchant Application costs and fees are paid by Client for credit/debit card processing