

Subject – Answer questions received regarding Banking Services RFP. The following answers all questions received by November 8, 2017 by 5:00 p.m.

RFP Addendum #1

1. Question: The RFP states that in addition to third party processing vendors, you also use Exchange Bank's Merchant Service account. Can we have copies of all merchant statements to do an analysis on pricing?
Answer: We are unable to provide copies of all merchant statements.

2. Question: How many different environments are cards accepted? Which payment processor/vendor does the City of Petaluma utilize at each of these? In Person, Online and by Mail/Phone?
Answer: Card Payments are accepted in person, online and by mail and phone. See answer to question 3 for details.

3. Question: What credit card terminal equipment or system (including external pin pads) is utilized for in-person payments (include manufacturer, model and number of devices), Online and Mail/Phone payments? Do these systems process through phone line or IP connection?
Answer: In Person payments are processed through Eden Citizen Services Tyler Cashiering using ID Tech Mini Mag Stripe Readers IDMB series or manual entry. Some departments use Ingenico ICT250 payment terminals with chip reading capability. Online payments are processed using Tyler Payments Online or Infosend. Mail Payments are processed using Profitstar's RemitPlus. Phone payments are processed using Phone keypad version of Tyler payments online.

4. Question: Which payment gateway is currently being used to accept payments online and mail/phone payments (if applicable)?
Answer: Refer to Page 4 of the RFP.

5. Question: If gateway & credit card terminal equipment compatibility isn't possible, is the City open to processing with another gateway?
Answer: The City is only willing to consider using other stand-alone payment terminals, and a new associated gateway.

6. Question: Is the City currently using check conversion services? Would it be possible to get a statement copy if so?

Answer: The City is using check conversion services. We are unable to provide a statement copy.

7. Question: Please provide addresses for the thirteen deposit locations.
Answer: All thirteen deposit locations are located in Petaluma, California.
8. Question: What is the average number of checks issued from the General Operating account each month?
Answer: The City issues approximately 600 checks per month from the General Operating account.
9. Question: Which Remote Deposit software/scanner does the third party vendor use?
Answer: Refer to Page 9 of the RFP.
10. Question: Does the City currently deliver coin/currency to the Branch or use a Cash Vault service?
Answer: Deposits are delivered to the branch.
11. Question: What is the frequency of coin/currency deposits delivered to the Branch? Daily, weekly, etc.?
Answer: Deposits are delivered to the Branch daily.
12. Question: Does the City order change through the Branch or Cash Vault? If so, what is the frequency of change order requests? What is the average change order request total?
Answer: The City requests change orders from the Branch approximately once a month for approximately \$100 for each change order.
13. Question: How does the City notify the Branch when change orders are needed? How much notice does the City give the Branch for change order requests?
Answer: The City provides email notification for change order requests at least one day prior to deposit.
14. Question: Does the City use an Armored Carrier for coin/currency deposits? If so, which Armored Carrier? Days of service?
Answer: Yes, The City uses Brinks for armored car services. Brinks picks up daily from various City of Petaluma department locations (M-F 4 to 5 days a week).
15. Question: Please provide Exhibit B- sample report file layout for Direct Payments.
Answer: Please see Attachment 4.3.
16. Question: What is the average total direct debit file for online payments by customers for utility billing?
Answer: Online Utility Billing payments received per month are approximately \$3.8m.

17. Question: What is the total direct deposit of payroll file? Frequency of payroll? Number of employees on direct deposit?
Answer: The City of Petaluma processes biweekly payroll for approximately 300 employees. The biweekly direct deposit is approximately \$900,000.
18. Question: If the bank is a State of Oregon chartered institution, not State of California or Federally chartered. Will the PUD approve an exception for a State of Oregon chartered bank?
Answer: The City will not approve an exception to the requirement shown on page 5 of the RFP.
19. Question: Is it possible to request a copy of the original RFP in Word format to complete our proposal?
Answer: The RFP is only available in PDF.
20. Question: If the bank does not have a Standard and Poor's and Moody rating, however we can provide our Fitch rating. Will the City of Petaluma grant an exception to use our Fitch rating in the RFP?
Answer: The City will not approve an exception to the requirement shown on page 7 of the RFP.
21. Question: Will the City accept a link to the banks audited financial statement/annual report rather than a hard copy?
Answer: Yes, the City will accept a link to the financial statements rather than a hard copy.
22. Question: Our system will not currently accommodate the location indicators as listed as a requirement below. Is this feature essential to be considered?
Answer: The City requires location Indicators to be considered in the RFP process.
23. Question: Please describe the service related to the "ACH Process File" fee vs. "EB Online ACH File" fee.
Answer: The ACH Process File fee is for ACH transactions processed through EDEN Accounts Payable and sent electronically to Exchange Bank to process. EB Online ACH File fee is for ACH batches entered and processed directly through Exchange Bank online.
24. Question: Does the City currently utilize Armored Car/Vault services for transport and processing of deposits and change orders for the various locations?
Answer: Refer to question 14 for the answer to the question.
25. Question: On average, how many checks per month will require a Stop Payment? Or what is the anticipated volume for over the counter? What are the current credit card terminal models being used?
Answer: The City issues stop payments on approximately 5 checks per month. Refer question 8 and 3 for answers to other questions.
26. Question: Will the City provide an existing sample Merchant Services statement?
Answer: Refer to question 1 for the answer to the question.

27. Question: Is the Reporting Services fee related to the EB Online Banking access or the reporting provided as describe in Section 4.a.?
Answer: The Reporting Services fee is for processing reports.
28. Question: Does ProfitStar submit an X.937 (ICL File) or an ACH file to credit the account? Is the Lockbox service up for bid as part of this RFP?
Answer: Profitstar submits a X.937 file which is sent via FTP to the bank. The lockbox service is not up for bid as part of this RFP.
29. Question: Please provide clarification for the items that may be included in the ACH Credit Fees at 4557 units.
Answer: Items included in the ACH Credit Fees are web based online Utility Billing payments, merchant deposits and other miscellaneous ACH deposits.
30. Question: On the sample AA statement, FastCheck is \$40.00. Is this a flat fee per month with no additional item charges for remote deposit items? Or are the item cost included in the "Other Checks Deposited" line item?
Answer: The example statement includes a flat monthly fee of \$40.00 for FastCheck processing as well as a \$.15 per unit fee for each FastCheck item processed.
31. Question: As it relates to Section 5.c (page 10), please clarify if the Web based payment service described relates to the consolidation of bill payments or a City branded online payment service?
Answer: The InfoSend web based system provides bill print and mail services, EBPP, and quick pay.
32. Question: What is your projected volume of stop payment requests on a monthly basis?
Answer: Refer to question 25 for the answer to the question.
33. Question: What percentage of Deposits are done through Remote Deposit Service?
Answer: Approximately 70% of deposits are processed through Remote Deposit Service.
34. Question: Do you anticipate using Night Drop Service for Deposits?
Answer: The City does not anticipate using Night Drop Service for Deposits.
35. Question: What is the total number of Merchant Accounts (identified by Merchant Number) requested for service?
Answer: Approximately 5 merchant accounts.
36. Question: In regard to each Merchant Account (identified by Merchant Number) the following are requested.
- A. Technology Request (by Merchant Number): Examples of terminal use, point-of-sale integration (please provide software and version), e-commerce (please provide gateway and/or software needs)?
 - B. Annual card volume (by Merchant Account): volume by Visa, MC, Discover, Amex and PIN Debit (if applicable), with annual transaction count?

Answer: A. Stand-alone terminals are Ingenico iCT250s with chip reading capability. Credit card readers that interface with Tyler Cashiering are ID Tech Mini Mag - Mag Stripe Readers IDMB series. The manufacturer's part # is IDMB-335133B. These process through the computer system. Online and Mail/Phone payments use Eden Web and Eden Phone (Plum Voice) and interface directly with the Eden subsidiary billing system. Mail payments (checks and payment stubs) are batch processed with Remit Plus scanner, which is tied to the network. The batch receipts are imported into the Eden subsidiary billing system and an encrypted deposit file is uploaded to the bank. B. The credit card volume is approximately 44,500 transactions annually. We are unable to provide a breakdown for each type of merchant account.

37. Question: Page 10, Section 5 - General Operating Account Electronic Banking

C. Web based payments – Our interpretation of the questions you have included in the RFP appear to be specific to the functionality of Online QuickPay or the end-users experience, rather than the back-end processing notification of rejected electronic payments.

Please provide the work flow for payments received through your existing payment module Online QuickPay. As far as the notification on rejected items process through your web based payment module, they would be sent directly to you our customer. This would be true for both ACH and EFT. We would like to request further clarification on this section.

D. Direct payments – We could not locate the sample report file layout identified as Exhibit B in the RFP. In the Insurance Requirements, there is a reference to Exhibit B-5 beneath the title on page 1 of 3, and Exhibit B2 on the footer of pages 1-3.

Answer: C. The information provided in section 5c on page 10 of the RFP provides an overview of the process including the functionality of Online Quickpay. The City requires notification of all rejected items via email for payments processed online. This notification should occur as soon as reasonably possible. D. Refer to Attachment 4.3.