

**UPDATE SUMMARY 4.27.21:** Previous revision format: red text; current revisions: red text, highlighted yellow

The City of Ocala (City), is soliciting proposals from qualified firms to provide a complete billing solution.

The scope of this Request for Proposal (RFP) covers two services: (1) the production and mailing of all utility bills and business license renewals, notices, letters and bill inserts; and (2) providing electronic bill presentment and payment services (EBPP). It will be the proposer's responsibility to provide the turnkey solution.

The purpose of this RFP is to provide qualified proposers with the information, requirements, and specifications necessary for the preparation of a professional and comprehensive proposal for EBPP services and bill printing and mailing services. The City of Ocala requires five (5) payment kiosk at multiple locations within the City.

## **SECTION 1. BACKGROUND AND CURRENT ENVIROMENT**

The City of Ocala provides utility billing and collection of all utility accounts for electric, water and sewer, garbage, stormwater, and telecommunications along with the Exceleron Prepaid Integration for prepaid metering.

The City has approximately 60,000 utility customer accounts composed of:

- 14,000 paperless billing;
- 7,000 prepaid (pay-as-you-go);
- 39,000 traditional billing (receive monthly paper bill in the mail).

Additionally, the City's Growth Management Department mails approximately 8,000 business license renewals annually using the bill print services.

### **1. Bill Print Services (bill printing, inserting, and mailing)**

#### **A. Mailing Types**

##### **(1) Utility Bills**

- a. Data is processed daily with accounts billed monthly using twenty (20) bill cycles. The number of bills mailed out weekly fluctuates based on the cycles being billed. In addition to the twenty (20) bill files, there may be any number of individual PDF files for final bills and bill corrections.
- b. The City processes approximately 682,000 utility bills per year (approximately 56,800 per month).
- c. These utility bills may also include multiple pages and inserts.

##### **(2) Business License Renewals**

- a. Approximately 8,000 business licenses are sent annually.
- b. Renewals to be billed on an annual basis.

##### **(3) Sample Documents**

- a. Refer to Exhibit C – Sample documents

- b. Vendor shall submit a mock-up of one redesigned utility bill and a business license renewal based on the sample documents in Exhibit B.

#### B. Bill Print Services Requirements

- (1) Provide error free printing and mailing of utility bills and business license renewals.
- (2) Provide a stable, redundant environment for production of utility bills and business license renewals.
- (3) Reduce the cost of printing and mailing of utility bills and business licenses.
- (4) Proven and stable history performing the services outlined in this RFP.
- (5) Perform the functions described in this RFP in a reliable, cost effective, and timely manner.
- (6) Enable the City of Ocala to maintain and modify the print formats at a reasonable cost and pace as the business needs change.
- (7) Enable best practices for the business processes, eliminate existing manual procedures and processes.
- (8) Enable the City to further enhance its customer service and provide timely accurate and efficient utility bill printing, inserting, and mailing.
- (9) Enable users of the system to receive timely, accurate information, and monitor the processes start to finish.
- (10) Provide CASS and other certification options including automatic address corrections and updates using NCOALink or ACS.
- (11) Allow for conditional messaging. The City uses several message areas on the bill for:
  - a. Impromptu notices that will be provided by the City.
  - b. Notification of service termination.
  - c. Ability to provide bill identification (e.g. Final Bill, Corrected Bill)
- (12)

Read "hidden/non-printed" text fields in the supplied PDF file or from a flat file to identify intercepted (held) bills, print suppression, envelope suppression, and selective inserts. **The proposer must have a web portal to display the intercepted (held) bills and allow City staff to review and release the held bills on an ad-hoc basis. The held bills must not interfere with the processing/mailing of non-held bills.**
- (13) Provide summarized statement reflecting the actual cost of printed and mailed services.

- C. **Bill Print Services – Service Level Agreement (SLA):** As part of the RFP response, proposer shall include any service level agreement (SLA) information and penalty credit information based on SLA timelines in the following key areas:

- (1) **Penalty offerings associated with the timelines of rendering and mailing of utility bills** (processing of bill extract file received from the City so that mail is presented to the USPS within 24 business hours of receipt of the file) – The proposer shall demonstrate that > 99.0% of all files are processed within the specified window and/or state associated penalties.
- (2) **Penalty offerings associated with the timelines of rendering and mailing of business license renewals** (processing of business license renewal file received from

the City so that mail is presented to the USPS within 24 business hours of receipt of the file) – The proposer shall demonstrate that > 99.0% of all files are processed within the specified window and/or state associated penalties.

- (3) **Penalty offerings associated with the timelines of rendering and mailing of letters and notices** (processing of letter/notice file received from the City so that mail is presented to the USPS within 72 business hours of receipt of the file). The proposer shall demonstrate that > 99.0% of all files are processed within the specified window and/or state associated penalties. The vendor shall be required to measure and provide standard monthly performance reports associated with respect to the service levels stated above.

## 2. Electronic Bill Presentment and Payment (EBPP)

- A. EBPP Objectives – The proposer shall be responsible for the entire operation of the system from acceptance of the data file, processing, technical, and application support through payments and reconciliation. **The proposer must integrate with the billing system for real-time payment reporting, auto-pay, and e-bill subscriptions via the Cogsdale API.**

- (1) Increase percentage of registered paperless billing users.
- (2) Maintain or increase bill presentment options.
- (3) Maintain or increase payment options.
- (4) Maintain or increase customer satisfaction.
- (5) Move customers to a low-cost billing and payment channel and payment types.
- (6) Ability to offer and customize one-time payments and recurring payments.

- B. **EBPP - Service Level Agreement (SLA):** As part of the RFP response, the proposer shall include any service level contract (SLA) information and penalty credit information based on SLA timelines in the following key areas:

- (1) **Penalty offerings associated to the timelines of receipt and presentment of bill data on the Biller Direct Site** (i.e., the processing of bill file received every business day and available to the customer within 12 hours of receipt of the bill file). The proposer shall demonstrate that > 99.0% of all files is processed within the specified window and/or state associated penalties.
- (2) **Penalty offerings associated to the timelines for sending payment data for a biller-direct site using the client's financial institution for payment processing** (i.e., payments requested before the cut-off time, the proposer will create a payment instruction file every banking day and send a payment instruction file to the predefined financial institution for payment processing). The proposer shall demonstrate that > 99% of all payment files are processed by the vendor within a specified window and/or state associated penalty.
- (3) **Penalty offerings associated to e-mail messages are expected to be made available to customers within four (4) hours of the event that triggers the message.** The proposer shall be required to deliver all e-mail content to

customers within four (4) hours of the event that triggered the message and/or state associated penalties.

- (4) **Systems availability via the Internet for all e-bill application supported by the proposer.** The proposer is expected to maintain a 99% system uptime, except for scheduled maintenance requiring advanced notice. Advanced notice must be posted to customers forty-eight (48) hours in advance via the website and via IVR. If system availability falls below 99%, the proposer is expected to pay penalties.

The proposer shall be required to measure and provide standard monthly performance reports associated with respect to the service levels stated above.

### 3. Support – Bill Print Services and EBPP

- A. Proposer shall state capabilities related to after hours and on-site support. The proposer shall specifically include as part of the response the process for responding to incident reports and include as part of the process incident classifications, including definitions and the proposer's expected durations for response.
- B. The proposer shall clearly outline as part of their offering their ability to provide post-production/post-deployment life cycle support for modifications or upgrades made to the Bill Print and EBPP system's software following the system's initial rollout.
- C. The ability to provide flexibility of services and a partnership that is responsive to our customer's needs and requirements due to potential changes and enhancements in a post-production environment is critical.
- D. System modifications and upgrades may include, but is not limited to multi-system changes, preplanned product improvements, repair of deficiencies reported by the user, and other type of system change packages.
- E. The proposer as part of the response shall include the workflow and approach to change management to accommodate product change.

### 4. Utility Bill Payment Kiosks

The City currently has five (5) utility payment kiosks in Ocala, FL. This service is a required part of your proposal.

- A. Kiosks must accept cash, checks, and credit cards.
- B. Kiosks are not required to provide change.
- C. Customers must be provided a physical and/or electronic receipt for their payment submitted into the kiosk.
- D. Current kiosk locations in Ocala:
  - City of Ocala Customer Service Office – 201 SE 3rd Street
    - kiosk available outside 24/7

- kiosk available inside during business hours
- Paddock Mall – 3100 SW College Road
  - kiosk available inside the Food Court area during normal operating hours
- Marion County Public Library – 2720 E Silver Springs Boulevard
  - kiosk available inside during normal operating hours
- Citgo “Wayne's Kitchen” – 1211 NW 10th Street
  - kiosk available inside during normal operating hours

E. **Turn-key managed kiosk services shall include:**

- (1) **Set-up and Implementation of Utility Bill Kiosk Services**: one-time fee to program, configure and implement all portals, programs, interfaces and systems necessary to provide the services, including, but not limited to:
  - installation;
  - set-up of five (5) utility bill payment kiosks;
  - programming;
  - mobile interface with payment configurations;
  - up-front costs;
  - database integration;
  - custom software development;
  - statement design;
  - integration with EBPP; and
  - staff training.
- (2) **Utility Bill Kiosk Services**: monthly fee to provide all services for five (5) utility payment kiosks located in Ocala, FL with a transaction volume up to 7,500 per month, including, but not limited to:
  - interface;
  - account services;
  - cash/check collection;
  - reporting;
  - software maintenance with upgrades and support;
  - kiosk related services;
  - hardware maintenance and support;
  - kiosk hardware;
  - receipting;
  - transaction fees;
  - transaction minimums; and

- ACH & credit card processing

## 5. New Required Enhancement – Point of Sale System (POS)

The City needs ten (10) POS systems to meet the Payment Card Industry (PCI) compliance. This service is a requirement as part of your proposal.

- A. POS equipment must be provided and maintained by the vendor.
- B. POS must integrate with current billing system (Cogsdale).
- C. POS to utilize chip reader technology.
- D. POS must provide the ability for City staff to add a customer account number for digital back office processing.

### E. **Utility Payment POS Services - Service Level Agreement (SLA): (Section Relocated)**

As part of the RFP response, the proposer shall include any service level contract (SLA) information and penalty credit information based on SLA timelines in the following key areas:

- (1) **POS availability.** The proposer is expected to maintain a 99.9% POS system uptime, except for scheduled maintenance from 2:00 AM – 4:00 AM requiring advanced notice of at least forty-eight (48) hours. If system availability falls below 99.9%, it is cause for contract default when occurring more than two (2) times per contract year. Failures of more than 24 hours of continuous downtime is cause for termination with no opportunity to cure. NOTE: maintenance should be scheduled during low usage times.
- (2) **Penalty offerings associated to the timelines for sending payment data for a biller-direct site using the client's financial institution for payment processing** (i.e., payments requested before the cut-off time, the proposer will create a payment instruction file every banking day and send a payment instruction file to the predefined financial institution for payment processing). The proposer shall demonstrate that > 99% of all payment files are processed by the vendor within a specified window and/or state associated penalty.

The proposer shall be required to measure and provide standard monthly performance reports associated with respect to the service levels stated above.

## 6. Contract Term

**Initial Contract Period:** The City intends to enter a contract for five (5) years.

**Optional Renewal Period:** The contract may be renewed for a maximum of one (1), two (2) two-years renewal.

**SECTION 2. PRICE PROPOSAL SCOPE**

All pricing under this contract are all inclusive, no additional fees, charges, surcharges or assessments will be paid to the vendor. All paper, envelopes, and supplies shall be provided by the vendor.

**1. Electronic Bill Payment and Presentment (EBPP)**

- A. **Set-up and Implementation of Electronic Bill Presentment and Payment (EBPP)**: one-time fee to program, configure and implement all portals, programs, interfaces and systems necessary to provide the services as described in the Scope, including, but not limited to:
- (1) Electronic Bill Presentment and Payment (EBPP) portal with payment configurations;
  - (2) data processing program used to process billing data to create e-bills in PDF format;
  - (3) interactive voice response with payment configurations; and
  - (4) mobile application with payment configurations.
- B. **Account and Maintenance Costs**: (Must be provided at **NO COST** to the City)
- (1) EBPP account access and maintenance costs shall be included at no cost or absorbed by the pricing quoted for the following services:
    - a. electronic bill presentment;
    - b. electronic payment processing;
    - c. interactive voice response; and
    - d. mobile application;
- C. **Electronic Payment Processing Fee: ACH/EFT-Bank Account**: fee will be invoiced to the City per transaction for each ACH/EFT payment and include any daily, monthly and transactional gateway access charges.
- D. **EBPP Custom Programming Charge**: loaded hourly billing rate for ad-hoc custom programming for changes or additions to the EBPP format or processing during the contract term.

**2. Bill Print Services**

- A. **Set-up and Implementation for Bill Print Services and Mailing**: one-time fee to program, configure and implement all portals, programs, interfaces and systems necessary to provide the services as described in the Scope, including, but not limited to:
- (1) utility bill, business license, and envelope layout configurations;
  - (2) data processing program used to process billing data to create formatted utility bills and business license renewals;
  - (3) software programming to request and update customer addresses changes per USPS; and
  - (4) Mail machine set-up and configuration for the City.

- B. **Utility Bill Processing - First page (4/1 Color):** fee per page, front and back, includes the following:
- (1) 4/1 "four over one" color printing. Front side of first page utility bill is full color and the back side is one ink color (currently dark grey).
  - (2) 8.5x11 paper with perforation;
  - (3) #9 return envelope;
  - (4) #10 outgoing envelope;
  - (5) print image archiving for 24 months;
  - (6) USPS address verification and outbound mail tracking;
  - (7) machine stuffing;
  - (8) mail preparation; and
  - (9) back-up bill images via CD.
- C. **Utility Bill Processing - Additional Pages (4/4 Color):** fee per page, front and back, includes the following:
- (1) 4/4 "four over four" color printing. All additional utility bill pages are printed in full color.
  - (2) 8.5x11 paper without perforation;
  - (3) print image archiving for 24 months;
  - (4) USPS address verification and outbound mail tracking;
  - (5) machine stuffing; and
  - (6) mail preparation.
- D. **Multiple Page Mail Upcharge:** additional fee per utility bill statement for large bills that cannot run through a machine and includes the following:
- (1) hand stuffing;
  - (2) folding; and
  - (3) large envelope.
- E. **Inserts Printed by Vendor:** fee per insert includes:
- (1) set-up;
  - (2) printing (1/3 sheet, double sided, 2/2 color); and
  - (3) inserting.
- F. **Business License Processing:** fee per license sent annually in two mailings includes the following:
- (1) programming;
  - (2) 4/0 "four over zero" color printing;
  - (3) 8.5x11 paper stock with perforation;

- (4) #10 window envelope;
  - (5) #9 return envelope;
  - (6) machine stuffing; and
  - (7) mail preparation.
- G. **Utility Bill Snipping**: fee per envelope for messages on outside of envelope, includes the following:
- (1) message on one side of envelope, usually the front;
  - (2) 1/0 color; and
  - (3) limited to brief message.
- H. **Address Updates**: fee per address update received from the United States Postal Service (USPS), includes the following:
- (1) sending current bill/invoice to new address; and
  - (2) providing USPS change of address information to the City within five (5) business days of receipt.
- I. **Drop-Shipped Inserts**: fee per insert received from City includes:
- (1) set-up;
  - (2) folding (1/3 sheet); and
  - (3) inserting.
- J. **Letters and Notices (with remittance)**: fee per letter/notice includes the following:
- (1) Receipt and format of letter extract files;
  - (2) set-up and printing of letters with variable data (name, address, etc.);
  - (3) 8.5x11 paper stock with perforation;
  - (4) #10 window envelope;
  - (5) #9 return envelope;
  - (6) machine stuffing; and
  - (7) mail preparation.
- K. **Letters and Notices (no remittance)**: fee per letter/notice includes the following:
- (1) Receipt and format of letter extract files;
  - (2) set-up and printing of letters with variable data (name, address, etc.);
  - (3) 8.5x11 paper stock without perforation;
  - (4) #10 window envelope;
  - (5) machine stuffing; and
  - (6) mail preparation.

- L. **Postage:** amount paid by vendor will be passed through to City without upcharge, includes the following:

- (1) bundled and sorted mail and discounted postage rates;
- (2) mail barcoded when possible;
- (3) foreign mail postage; and
- (4) no additional fees or charges will be paid for mail or postage.

### 3. **Electronic Payment Processing: Assessed Fees**

#### A. **Electronic Payment Processing Fees:**

- (1) **Credit Card - Visa, MasterCard, Discover & American Express:** Fees will be combined with payment amount and charged as a single transaction. This fee shall be flat, not percentage based and applicable for utility bill payments and building permits, fees and charges.
- (2) **Returned ACH/EFT - Bank Account Payment:** flat fee will be invoiced to the City for each returned bank account payment.
- (3) **Credit Card Chargeback:** flat fee will be invoiced to the City for each credit card chargeback.

### 4. **Utility Payment Kiosks and Point of Sale System (POS)**

- F. **Set-up and Implementation of Utility Payment Kiosks and POS Services:** one-time fee to program, configure and implement all portals, programs, interfaces and systems necessary to provide the services as described in the Scope, including, but not limited to:

- (1) installation;
- (2) set-up of ten (10) utility payment POS systems;
- (3) set up set-up of five (5) utility payment kiosks;
- (4) collection;
- (5) maintenance;
- (6) reporting;
- (7) updates;
- (8) programming; and
- (9) interface with payment configurations.

- G. **Utility Payment POS Services:** monthly fee, if any to provide all POS software, updates, interface, account services, maintenance, reporting, and POS related services for ten (10) utility payment POS located in Ocala, FL with a transaction volume up to 800 per month.