

New York City Water Board
Request for Proposals for Lockbox and Other Payment Processing Services
Addendum #2
Responses to Follow-up Inquiries

1. We need help on identifying exactly what "Manually processed remittances" are with a new volume of 9,500 items. We saw the response in question 125 but are still confused. Would you point us to the specific line item on an account analysis so we can identify this?

As this point continues to cause confusion, we have revised the Price Proposal template and deleted the separate line for "Manually processed remittances". Please include pricing for manual processing in the "Check processed without coupon" charge. To clarify, for remittances that require manual intervention, the Board prefers all-in pricing without a separate charge for "keystrokes"; however, if you must charge based on keystrokes, please include such charge as an Additional Charge at the bottom of your Price Proposal based on an estimate of approximately 525,000 keystrokes per month. The revised Price Proposal template is attached.

2. For the Excel pricing table, there are three rows within the ACH/Credit/Debit Card Payments section: Debit/credit card processing, Customer, and Board. All three rows have the same volume of transactions. Can we assume that Customer is the fee that is charged to the customer, Board is the fee that is charged to the Board? Is the Debit/credit card processing row for the total fee? If these are percentages we will try to estimate them leveraging the averages provided with the Addendum.

The three rows are provided for the purpose you note. It may be that the Contractor will propose to charge a fee to the Customer, to the Board, or to both. Therefore, we have provided the three lines for credit and debit card processing. Please include the fees you propose to charge to each party in the appropriate lines, with a total in the first row: "Debit/credit card processing".

As you note, if you do propose a percentage as a Convenience Charge to the Customer (or to the Board), please use \$11,500,000 as the annual debit/credit card collection amount.

Also, to clarify, with regards to "Over-the-counter local payments", please indicate whether you intend for the collection fees to be charged to the customer or the Board by marking the party(ies) you intend to pay the charge.

3. And when we sum these fees below for the Board's Total, we should exclude the convenience fees charged to the Customer directly?

The original intent was to include all charges in the Total, but as we are issuing a revised Price Proposal template, yours is a helpful suggestion. The revised template has rows for Board, customer, and Total Board and customer costs.

**Exhibit 3 - Revised
Price Proposal**

	Average Annual Volume	Average Monthly Volume	Current Volume Pricing						Unit Price at 2xs Volume	Unit Price at 3xs Volume
			Unit Price	Monthly Total	Annual Total	Five-year Total	Renewal 1 Three-year Total	Renewal 2 Three-year Total		
Fixed monthly charges										
Account maintenance	12	1								
P.O. box rental	1	N/A								
Transport to lockbox processing facility	252	21								
Remote lockbox license & transmission fee	12	1								
Online application maintenance charge	12	1								
Mobile application maintenance charge	12	1								
Telephone IVR/VRU system maintenance charge	12	1								
Over-the-counter maintenance charge	12	1								
Electronic imaging & DEP retrieval	12	1								
Remote electronic banking access	12	1								
Periodic electronic reports (daily, monthly, etc.)	12	1								
Correspondence package handling	252	21								
General lockbox processing										
Automatically processed check with coupon	1,680,000	140,000								
Check processed without coupon	210,000	17,500								
Returned/redeposited payment (incl. failed redeposit)	6,900	575								
Cash payment handling	72	6								
Correspondence & address item handling	14,880	1,240								
Web decisioning/exception items	19,200	1,600								
Remote lockbox processing										
Scanned check - CIS account captured	58,800	4,900								
Scanned check - presentation only	22,800	1,900								
Scanned coupon	58,800	4,900								
ACH/Credit/Debit Card Payments										
ACH transactions	448,455	37,371								
ACH return items	4,661	388								
Debit/credit card processing	29,400	2,450								
<i>Customer</i>	29,400	2,450								
<i>Board</i>	29,400	2,450								
Additional mobile payment charges	-	N/A								
Additional telephone IVR/VRU charges	156,000	13,000								
Online banking consolidation transfer	1,008	84								

