



Board Agenda Item 31

DATE: January 21, 2020

TO: Board of Supervisors

SUBMITTED BY: Robert W. Bash, Director, Internal Services/Chief Information Officer
Paul Dictos, Assessor-Recorder

SUBJECT: Merchant Agreement with Automated Merchant Systems, Inc.

RECOMMENDED ACTION(S):

- 1. Make a finding that it is in the best interest of the County to waive the competitive bidding process consistent with Administrative Policy No. 34 for unusual or extraordinary circumstances, as Automated Merchant Systems, Inc. is the only vendor that integrates with the Assessor-Recorder's current Eagle Recorder system; and**
- 2. Approve and authorize the Chairman to execute an Agreement with Automated Merchant Systems, Inc. for credit card processing services related to accessing recorded documents online through the Eagle Recorder system, effective upon execution by the vendor, which includes a three-year base contract and two automatic one-year extensions (\$0).**

Approval of the recommended actions will provide a benefit to the public by allowing the Assessor-Recorder's office to accept credit card payments online through the Eagle Recorder system. This item is countywide.

ALTERNATIVE ACTION(S):

The Assessor-Recorder's current system does not allow for online credit card payments. Without this Merchant Agreement, online credit card payments will not be available on the Eagle Recorder system.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

The Assessor-Recorder's office is recommending, with concurrence from the Purchasing Division of the Internal Services Department, that your Board waive the competitive bidding process under Administrative Policy No. 34 due to unusual or extraordinary circumstances in order to have Automated Merchant Systems, Inc. process credit card payments associated with the Tyler Technologies' Eagle Recorder system. The Eagle Recorder system utilizes an integration of BridgePay. Automated Merchant Systems, Inc. is the only vendor that currently integrates with BridgePay without extensive and costly integrations.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the approval of the recommended actions as this is a credit card payment processing service. The vast majority of the costs associated with this service will be collected from consumers as a part of the credit card transactions in the form of a service fee of \$1.00 paid on each online transaction. The County will be responsible for occasional fees for disputed charges, but these are exceedingly rare, and will be deducted from the deposits that the County will receive.

DISCUSSION:

On January 9, 2018, the Board approved Agreement No. 18-005 with Tyler Technologies, Inc. (Tyler), which was subsequently amended to include additional programming services on April 23, 2019. This cashiering and indexing system replaced the previous CRiis System, however, additional processing services are required to allow for online transactions due to the unique BridgePay infrastructure that Tyler has integrated into their system. Automated Merchant Systems, Inc. is the only vendor that currently integrates with BridgePay without extensive and costly implementation.

The recommended agreement is not in the County's standard format, however, as a regulated financial document, using the County's standard agreements was not an option. The recommended agreement has been reviewed by Risk Management and the Department believes that the agreement is acceptable. The recommended agreement contains several non-standard provisions, including a limitation on liability, a hold harmless provision in favor of the vendor, and an early termination fee in the event the agreement is terminated. However, the early termination fee expressly does not apply if the termination is due to a non-appropriations event on the part of the County. The Department has weighed these risks, and believes that the benefits of entering into this agreement outweigh any potential risks.

Approval of the recommended actions will execute a Merchant Agreement with Automated Merchant Systems, Inc. to allow the Assessor-Recorder's office to offer more extensive online services. It should be noted that the vendor will not sign the document until after your Board's approval.

REFERENCE MATERIAL:

BAI#41, April 23, 2019
BAI#21, January 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition
On file with Clerk - Merchant Agreement with Automated Merchant Solutions, Inc.

CAO ANALYST:

Yussel Zalapa