



**City of Santa Ana**  
**20 Civic Center Plaza, Santa Ana, CA 92701**  
**Staff Report**  
**December 20, 2022**

---

**TOPIC:** Debit and Credit Card Merchant Payment Processing Services

---

**AGENDA TITLE:**

Approve an Additional Agreement with Global Payments Direct, Inc. DBA OpenEdge, to Amend the Card Services Terms & Conditions For Government Entities, Incorporated Within the Prior Agreement Entered into with Global Payments Direct, Inc. DBA Total System Services Inc. (also known as TSYS Merchant Solutions) for Debit/Credit Card Merchant Payment Processing Services and Support and Maintenance in the Amount not to Exceed \$1,898,400, which Includes a General Contingency of \$242,400

**RECOMMENDED ACTION**

Authorize the City Manager to execute a first amendment to agreement with Global Payments Direct, Inc. DBA OpenEdge/TSYS Merchant Solutions for debit/credit card payment processing services, including support and maintenance in an amount not to exceed \$1,898,400; which includes a general contingency of \$242,400 over the maximum seven-year life of the agreement. The first amendment to agreement includes a base term commencing from December 20, 2022 and expiring December 31, 2025, with provision for two renewal options of three years, and one year, respectively ending December 31, 2029.

**DISCUSSION**

Global Payments Direct, Inc. ("Global Payments") is a leading provider of merchant processing payment technology and software solutions. In September 2019, Global Integrated Payments, Total System Services Inc. ("TSYS" Merchant Solutions, LLC) combined to form the overarching parent company Global Payments. On December 6, 2022, as part of the city-wide Europay, MasterCard, and Visa ("EMV") Chip & PIN cashiering software and hardware upgrade to improve the security of debit/credit payment transactions for Santa Ana residents, City Council approved a renewal agreement with TSYS Merchant Solutions, LLC, DBA Global Payments Direct, Inc. Global Payments will be presenting MasterCard and Visa payment transactions on behalf of the City for all walk-in credit card payments made at City facilities, including, but not limited to, the following: City Hall Cashiering Counters, Police Department Traffic and Records Divisions, and the Santa Ana Zoo and will be providing an "e-Commerce Gateway Transaction Integration". Part of the planned upgrade of the City's cashiering software and hardware systems also includes providing more payment options and

fewer restrictions for other City agencies who are currently undergoing information system enhancements and upgrades, such as the Parks, Recreation and Community Services Agency's ("PRCSA") new zoo ticketing system and reservation management system.

Subsequent to this City Council meeting, staff will be recommending the approval of both a renewal agreement and an accompanying support and maintenance agreement with System Innovators, a division of N. Harris Computer, for related EMV Chip & PIN credit card hardware purchases and Payment Card Industry Data Security Standard ("PCI DSS") revenue management and cashiering software upgrades. Various City agencies currently use both TSYS and iNovah (System Innovators' revenue management and cashiering software/hardware), to process payments and the receipt of City revenues. A component of this comprehensive upgrade to the City's cashiering and payment system includes contingency options for additional City information systems to integrate into both Global Payments merchant processing services (TSYS & OpenEdge) as well as iNovah. The City's iNovah revenue and management and cashiering software is then scheduled to be integrated into PRCSA's new zoo ticketing system and existing parks and recreation reservation management system, together with the Planning & Building Agency's new land management system, and Finance & Management Services Agency's up-coming new business license software/platform (as an upgrade to the existing legacy system's iNovah integration).

OpenEdge is the only common merchant processor for in-person payment transactions for PRCSA's reservation management system and the Santa Ana Zoo's new ticketing system. The City's Treasury & Customer Service Division ("Treasury") of the Finance & Management Services Agency, whose responsible for maintaining all monetary transactions related to City services, is aiming to streamline all in-person debit/credit payment transactions. Fortunately, Global Payments (aka OpenEdge/TSYS) not only has unique institutional knowledge of the City's payment processing systems, but their amalgamation with OpenEdge opens another merchant processing payment method to be utilized by PRCSA and other City agencies in the future if necessary. Global Payments' TSYS merchant payment processing services are already integrated into various City payment systems, the cost to implement an equivalent third-party merchant payment processing service is unknown, but would require new software and substantial additional integration expenses.

In addition to merchant payment processing services for the City's walk-in cashiering stations, there are other related critical payment processing agreements such as the City's online cloud-based electronic billing and payment presentation/bill print services, 24-7/365 walk-up payment kiosk services, and over-the-phone interactive voice response and payment services. Based on the synchronization of all of these payment-processing services, the City will achieve full PCI-DSS compliance, thereby transferring future credit card fraud liability from the City to the payment card providers.

Furthermore, renewal agreements for the City's integrated Interactive Voice Response ("IVR") contract and data processing, printing and mailing, and e-business services contracts have been constructed to be co-extensive with one another. Therefore, staff recommends the approval of a first amendment to agreement with Global Payments (TSYS/OpenEdge) to assure annual merchant payment processing services for the City's PRCSA reservation management system and the Zoo's new ticketing system. By approving this first amendment to agreement with Global Payments, City Council will also be harmonizing agreements with other critical payment processing contracts.

### **ENVIRONMENTAL IMPACT**

There is no environmental impact associated with this action.

### **FISCAL IMPACT**

Funds for this renewal agreement and services are budgeted and available in various departmental Contract Services Professional accounts (No. Various-62300). Funds will be budgeted for expenditure as follows:

<b>FY</b>	<b>Accounting Unit - Account No.</b>	<b>Fund Description</b>	<b>Accounting Unit - Accounting No. Description</b>	<b>Support &amp; Maint.</b>	<b>Contracted Amount</b>	<b>Annual Rate Increase (Contg.)</b>	<b>Maximum Amount</b>
<b>2022-23</b>	Various-62300	Various	Contract Services Professional	\$5,000	\$195,500	\$29,325	\$229,825
<b>2023-24</b>	Various-62300	Various	Contract Services Professional	\$5,000	\$195,500	\$29,325	\$229,825
<b>2024-25</b>	Various-62300	Various	Contract Services Professional	\$5,000	\$200,000	\$30,000	\$235,000
<b>2025-26</b>	Various-62300	Various	Contract Services Professional	\$5,000	\$210,000	\$31,500	\$246,500
<b>2026-27</b>	Various-62300	Various	Contract Services Professional	\$5,000	\$220,000	\$33,000	\$258,000
<b>2027-28</b>	Various-62300	Various	Contract Services Professional	\$5,000	\$230,000	\$34,500	\$269,500
<b>2028-29</b>	Various-62300	Various	Contract Services Professional	\$5,000	\$240,000	\$36,000	\$281,000

First Amendment to Agreement with OpenEdge, DBA Global Payments  
 December 20, 2022  
 Page 4

<b>2029 -30</b>	Various- 62300	Various	Contract Services Professional	\$5,000	\$125,000	\$18,750	\$148,750
				<b>Subtotal:</b>	<b>Subtotal:</b>	<b>Subtotal:</b>	<b>Grand Total:</b>
				\$40,000	\$1,616,000	\$242,400	\$1,898,400

**EXHIBIT(S)**

1. Global Payments Direct, Inc. DBA OpenEdge Agreement

Submitted By: Kathryn Downs, FMSA Executive Director

Approved By: Kristine Ridge, City Manager