



Legislation Text

File #: 18-1138, **Version:** 1

Community Development Services, Administration and Finance Division, recommending the Board approve and authorize the Chair to sign the First Amendment to a perpetual agreement with Cardknox (Agreement 2709 - Attachments A & B) for the following:

- 1) Credit and debit card convenience fee rates charged directly to the public at 2.89% for internet transactions and 2.69% for transactions in Community Development Services card readers; and
- 2) Administrative payments made annually no greater than \$1,000.

FUNDING: Technology Fees (credit card processing fees are paid by cardholders).

DEPARTMENT RECOMMENDATION

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DISCUSSION / BACKGROUND

Through the implementation process with Cardknox, it was discovered that the first convenience fee rate negotiated, of 1.59%, was not a standard rate but an average of what Cardknox would charge customers for a convenience fee. Each credit or debit card used would be charged a different rate. The Executive Sponsors for TRAKiT did not agree to this method of charging County customers due to the fact that one convenience fee rate could not be guaranteed. Following direction from the Executive Sponsors, staff worked to negotiate a standard rate that El Dorado County customers could be guaranteed.

More Background Information on TRAKiT and Cardknox

The county has determined that the cost of maintaining online land management information on the county mainframe has become too costly and requested alternatives be researched to find a less expensive program that would provide similar features as the county's current Land Management Information System, referred to as LMIS, and provide enhanced features for ease of use, including payment of fees, etc., via credit or debit cards or electronic fund transfers (EFT).

On January 3, 2017 (Item 28), the Board approved a contract with Superion, formerly Sungard Public Sector LLC, to purchase TRAKiT Land Management Software System (TRAKiT). In addition to permitting, project tracking, code enforcement and GIS integration, TRAKiT offers cashiering functions. In order to facilitate online payments, a browser-based credit and debit card processing solution that interfaces seamlessly with the new TRAKiT software is required.

The kickoff for implementing TRAKiT was held last June, and in the process of seeking credit card vendors, it was determined that Cardknox provided the best solution. After determining Cardknox

was the preferred vendor, the Cardknox solution was integrated into county credit card policies for review.

CDS staff has secured approval of the integrated Electronic Payment Procedures Manual (Procedures Manual) from the County Treasurer/Tax Collector, County Auditor, and Chief Administrative Officer. Cardknox was chosen for both functional and financial reasons. Cardknox offers a competitive rate. In addition, Cardknox has already built an interface with TRAKiT, which saves a \$25,000 dollar integration charge that would be incurred had the County selected a different vendor.

Cardknox offers a turnkey solution for processing Master Card, Visa, and Discover cards both online and in-person that meets new Europay, MasterCard and Visa (EMV) standards for chip readers. Since chip data cannot be passed to a webpage, additional security measures are required for the online acceptance of credit cards. Cardknox offers a solution that processes online payments in a manner that meets EMV standards. A contract must be executed with Cardknox, so the interface can integrate with TRAKiT to accept credit cards and debit cards online, and credit and debit cards at the point of purchase.

ALTERNATIVES

The Board could decline to approve the First Amendment, and the county would continue moving forward with implementing TRAKiT, but only accept cash and check payments.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Treasurer/Tax Collector's Office
County Auditor's Office
County Chief Administrative Office
Environmental Management Department
Planning and Building Department
Transportation Department
Surveyor's Department
Information Technology Department
Contracts approved by County Counsel and Risk Management

CAO RECOMMENDATION

It is recommended that the Board approve this item.

FINANCIAL IMPACT

Transaction fees will be paid by TRAKiT system users. Monthly statement payments will not exceed \$45.00 per month.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) The Clerk of the Board will obtain the Chair's signature on the two (2) original copies of the Cardknox Payment Service Agreement.
- 2) The Clerk of the Board to return one (1) fully executed original copy of both Agreements to the CDS Administration and Finance Division, Contract and Procurement Unit, for further processing.

STRATEGIC PLAN COMPONENT

Infrastructure and Good Governance.

CONTACT

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