



MEMORANDUM

Council Agenda
Item No. IX. N
11/22/2022

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Resolution authorizing a change in the estimated cost for the purchase of electronic credit card services from TSYS (R23-D1728003), estimated cost increase of \$278,000 to a total of \$350,000, for the period ending June 30, 2023.

Background:

The City of Oklahoma City and TSYS originally entered into a contract for credit card processing services on June 23, 2015 (Item No. VII.AH). On September 10, 2019 (Item No. VII.AF), a request for proposals was approved and authorized to be advertised for credit card services. On or before November 6, 2019, ten proposals were received and after a review, Heartland Payment Services was selected. On August 4, 2020 (PPA.A.1. and VII.AN.1.), the TSYS agreement was amended to allow four additional one-year renewal options to provide time to redirect point of sale machines, software and websites to the new processor, Heartland.

The TSYS agreement renewal was approved by the City Council on July 5, 2022 (Item No. IX.CQ for City, Item No. PPA.C for the OCPPA) for the period ending June 30, 2023 with estimated amounts of \$72,000 for the City and \$75,000 for the OCPPA assuming that the City's cash register system would be updated and start sending credit card transactions to the new processor, Heartland prior to FY 2023. This cutover did not happen due to technical difficulties and the city-wide cash register now has a target date to be reprogrammed from TSYS to Heartland on December 1, 2022. Due to this delay, staff has too much authority to spend on the Heartland agreement and not enough authority to spend on the TSYS agreement.

Staff is requesting Council increase the estimated cost for the City's portion of the TSYS agreement (R23-D1728003) be increased from \$72,000 to a total of \$350,000, for the period ending June 30, 2023. There is no obligation to purchase from these agreements. All purchases are subject to future appropriations and the availability of funds.

Estimated Cost:

\$72,000 (original estimated cost)

\$278,000 (increase)

\$350,000 (estimated cost)

Source of Funds:

General Fund/General Operations/Non-Departmental Credit Card Fees/Other Services and Charges

(001/0001/9800004/52890001)

Review:
Finance

Recommendation: Resolution be adopted