

**CITY OF WAUKESHA****Administration**

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Committee: None	Committee Meeting Date: Click here to enter a date.
Agenda Item Number: 19-1085	Common Council Meeting Date: 8/6/2019
Submitted By: Mona Bauer, PRF	City Administrator Approval: Kevin Lahner, City Administrator Click here to enter text.
Finance Department Review: Rich Abbott, Finance Director	City Attorney's Office Review: Brian Running, City Attorney BER
Subject: Approval of credit-card services contract with OpenEdge.	

Details:

Currently, the Park, Rec and Forestry Department accepts payment by credit card, but they are not PCI DSS (Payment Card Industry Data Security Standard) compliant in their credit-card payment practices. PCI compliance is crucial to prevent credit-card data loss and to assure our customers that they are not exposing themselves to data loss by using a credit card to pay city fees, and IT is strongly pushing for it. In order to become PCI compliant, equipment and systems must be purchased and installed to allow electronic credit-card usage. The City already has a contract with Elavon for credit-card payments by other departments, but Elavon's systems and software do not integrate well with PRF's existing scheduling software. OpenEdge is another vendor of credit-card services, and its systems and software allegedly integrate smoothly with PRF's existing software, so it is preferred for use by PRF.

OpenEdge's standard contract has provisions in it that are contrary to Wisconsin law, so there has been some negotiating to see if OpenEdge will amend its standard language to accommodate the city. Specifically, state law says that payments from the city's treasury can only be made at the direction of the City Treasurer. However, OpenEdge's contract requires that (1) the city set up a reserve account from which OpenEdge can withdraw money at any time without notice to the city or approval of the Treasurer, and (2) that the city give OpenEdge a security interest in all of its depository accounts, which again would allow OpenEdge to withdraw funds without notice or approval. Even if that weren't prohibited by law, it would be an unacceptable arrangement for the fiduciary protection of public funds. We requested that OpenEdge limit its ability to withdraw money from, and to have a security interest in, only the servicing account through which the credit card transactions pass. Within the last week, OpenEdge agreed that it would limit itself only to the servicing account, which we believe is acceptable under state law if the Treasurer approves the deposit of funds into the servicing account to begin with. However, OpenEdge was not able to provide us with a final, clean version of the contract with the amendments we have agreed upon in principle. Therefore, approval of a contract with OpenEdge will be contingent on final review by the City Attorney to verify that the final version contains the language that has been agreed upon in principle. Both PRF and IT are extremely anxious to get this program up and running, which is why approval before the contract is finalized is being requested.

Options & Alternatives:

PCI DSS compliance is required, so continuing as-is is not an option. Elavon is a possible alternative, but does not integrate as tightly with PRF's existing software.

Financial Remarks:

To be added later.

Staff Recommendation:

Approval of the proposed contract with OpenEdge and authorization for Mayor and Clerk to sign, after final review by the City Attorney and verification that the agreed-upon amendments have been incorporated into the contract.