

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

August 5, 2025

FROM

PETE MENDOZA, Director, Purchasing Department

SUBJECT

Amendment to Contract with Grant Street Group for Electronic Payment Services

RECOMMENDATION(S)

1. Approve **Amendment No. 1 to Contract No. 20-904** with Grant Street Group, to provide credit card, debit card, and electronic acceptance and processing services to San Bernardino County departments and special districts at fixed rates, and to extend the contract by an additional three years for the total period of September 16, 2020 through September 15, 2028, with two additional one year options to extend.
2. Authorize the Purchasing Agent to approve amendments to the contract in Recommendation No. 1 to option the two one year extensions, subject to review by County Counsel.
3. Direct the Purchasing Agent to transmit any subsequent amendments, to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Pete Mendoza, Director, 387-2073)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this Amendment will not result in the use of Discretionary General Funding (Net County Cost). Credit and debit card processing fees for payments will be paid to Grant Street Group (GSG) directly by County and special districts (collectively referred to as County) customers in the form of a convenience fee and electronic checks will be processed free of charge; therefore, no additional costs to County departments related to payment processing fees will be incurred under this contract.

BACKGROUND INFORMATION

On September 15, 2020 (Item No. 53), the Board approved Agreement No. 20-904 with Grant Street Group for Electronic Payment Services in the amount of \$1,675,000, for the term of September 16, 2020, through September 15, 2025.

The County uses Electronic Payment Services to offer residents and business owners a streamlined and convenient option to remit payment for services and costs, including but not limited to, ambulance transports, hazardous material permits, fire prevention permits, printed informational materials, merchandise sold to County employees and reservations. Multiple forms of payment acceptance result in more efficient and fiscally responsible County operations.

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The Auditor-Controller/Treasurer/Tax Collector (ATC) has been working on implementing the Property Tax Legacy Systems Replacement (PTLSR) project, a critical modernization project which went Live in July 2025. The PTLSR project is a major \$58 million investment designed to replace legacy systems and improve property tax administration for all taxing entities in the County, including school districts, cities, and special districts. Integrating with an electronic payment processing platform is a foundational system architectural design and a major project decision, carrying far-reaching implications and interdependencies. At this stage, introducing a new electronic payment vendor would significantly impact project timelines and introduce substantial risk. Any transition to a new vendor would require extensive testing, complex integration work, and thorough compliance and security reviews across multiple interconnected systems. Such efforts would divert critical staff and technical resources, jeopardizing the project's delivery schedule.

Beyond technical risks, switching vendors now would likely result in increased implementation costs, potential downtime, and the need to retrain both County staff and external stakeholders. These disruptions could affect the ability of taxing agencies to receive timely and accurate payments, creating broader operational inefficiencies.

The County's current electronic payment vendor has demonstrated a consistent track record of reliable service and is already integrated with both existing and future components of the PTLSR project. Maintaining this vendor through Go-Live ensures continuity of service, preserves institutional knowledge, and supports a smooth transition without unnecessary disruption to taxpayers or taxing agencies. Lastly, the not-to-exceed dollar amount of \$335,000 annually is no longer required as the Auditor-Controller/Treasurer/Tax Collector (ATC) Revenue Recovery Division will no longer pay processing fees on behalf of debtors.

Approval of Amendment No. 1 will allow ATC to implement its new property tax system with minimal interruptions and will allow the County to continue to utilize Grant Street to process electronic payment services with fixed rates for Standard Credit cards: 2.30% (\$1.95 minimum), Commercial Credit Cards: 3.95% (\$1.95 minimum), International Credit Cards: 3.95% (\$1.95 minimum), \$2.95 per Pin Debit Card transactions (flat rate), \$0 for electronic check processing and \$0.50 - \$1.75 E-check validation fees, to extend the contract by an additional three years for the period of September 16, 2025, done through September 15, 2028, with two additional one-year options to extend.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Adam Ebright, Deputy County Counsel; 387-5455) on July 1, 2025; Auditor-Controller/Treasurer/Tax Collector (Diana Atkeson, Assistant Auditor-Controller/Treasurer/Tax Collector, 382-7004, Sonia Hermosillo, Chief Deputy, Revenue Recovery, 382-3079, Don Le, Chief Deputy, Information Technology, 382-3001, and Shay Younger, Chief Deputy Tax Collector, 382-3041) on June 5, 2025; Human Resources (Kristinia Ramirez, Employee Benefits Manager, 387-5549) on July 24, 2025; Public Works (Melissa Hale, 387-8125) on July 23, 2025; Land Use Services (Mark Wardlaw, Planning Consultant, 387-4431 and Marlene Ambriz, Assistant Director, 387-4070) on July 23, 2025; Innovation and Technology (Lynn Fyhrlund, Chief Information Officer, 388-5501) on July 23, 2025; and County Finance and Administration (Kathleen Gonzalez, Administrative Analyst, 387-5412) on July 15, 2025.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: August 5, 2025



cc: Purchasing - Barajas w/agree
Contractor - c/o Purchasing w/agree
File - w/agree
MBA 08/11/2025