



City Council Report

Date: November 5, 2018
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Renewal to the Term Contract for Comprehensive Banking Services for the Financial Services and Business Services Departments (Citywide)

Recommendation

Council is requested to approve the contract renewal as recommended.

The Financial Services and Business Services Departments and Purchasing recommend authorizing the renewal with JP Morgan Chase, US Bank (Elavon) and Wells Fargo for the combined total of \$153,000, based on expected activity.

Background / Discussion

The City of Mesa makes extensive use of banking services to collect, disburse and manage its cash and investments. The comprehensive banking services include general banking services, merchant card processing and institutional custody. General banking services includes cash services, deposit services, disbursement services, electronic transfer of funds and general reporting. Merchant card services represent the City's ability to process credit card transactions. Institutional custody services represent the safekeeping of the assets/securities in the City's investment portfolio.

All three vendors are willing to renew with no pricing adjustments. The City has been satisfied with each vendor's service. All vendors are meeting the City's needs and staff has been very satisfied with the services being received. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract. This is the last year of the contract and it will be re-bid next year.

Purchase Information

Action: Renewal (2nd of 2 possible)
Procurement Type: Request for Proposals
Contract Number: 2014064
Responses Received: 6
Original Council Award Date: 12/8/2014
Initial Contract Term: Three years
Funding Source: General Banking and Institutional Custodial Services: The total estimated amount of \$100,000 is available in Financial Services Department operating budget.

Merchant Services: The total estimated amount of \$53,000 (plus pass through 3rd party charges for Visa, Mastercard, American Express and Discover) is available in the operating budget for each Department that accepts credit cards.

RENEWAL RECOMMENDATION

General Banking Services
<p><i>JP Morgan Chase - Columbus, OH</i></p> <p>General Banking Services includes cash services, deposit services, disbursement services, electronic transfer of funds and general reporting</p>
Merchant Card Processing
<p><i>US Bank – Elavon</i> Minneapolis, MN – Atlanta, GA</p> <p>Merchant Card Services represents the City's ability to process credit card transactions</p> <p>Cost does not include pass through 3rd party charges for Visa, Mastercard, American Express and Discover.</p>
Institutional Custodial Services
<p><i>Wells Fargo - San Francisco, CA</i></p> <p>Institutional Custody Services represents the safekeeping of the assets/securities in the City's investment portfolio</p>
Estimated Total Contract Value: \$153,000