

Council Communication

May 19, 2015, Business Meeting

Approval of a Public Contract for Banking Services

FROM:

Barbara Christensen, City Recorder, christeb@ashland.or.us

SUMMARY

The current contract for banking services expires on June 30, 2015. This is a request to approve a 5-year contract with Wells Fargo for banking services for the City of Ashland beginning July 1, 2015.

BACKGROUND AND POLICY IMPLICATIONS:

The sourcing method for a Personal Services contract of \$75,000 or greater is a Competitive Sealed Proposal (Request for Proposal). A Request for Proposals (RFP) was issued on March 23, 2015, for City of Ashland banking services. Proper legal noticing, voluntary pre-proposal conference and addendums providing additional information were provided.

The RFP was mailed to 10 potential proposers (Banking Institutions/Credit Unions) and the City received two (2) proposals in response to the RFP. Proposals were received from US Bank and Wells Fargo. Following the evaluation process provided for in the RFP, the evaluation committee scored each proposal in accordance with the evaluation criteria established within the RFP.

The proposal submitted by Wells Fargo is the highest ranked proposal. Therefore, staff (the evaluation committee) is recommending the public contract be awarded to the highest ranking proposer, Wells Fargo. Please see the attached evaluation summary for a breakdown of the evaluation criteria and how each proposal was scored.

COUNCIL GOALS SUPPORTED:

N/A

FISCAL IMPLICATIONS:

The cost of banking services will increase slightly due to added services, but remain close to the current amount budgeted for this item.

STAFF RECOMMENDATION AND REQUESTED ACTION:

Staff recommends approval of the 5-year contract with Wells Fargo for banking services.

SUGGESTED MOTION:

I move approval of a 5-year contract for banking services with Wells Fargo.

ATTACHMENTS:

Evaluation Summary
Scope of Work



City of Ashland
Request for Proposal
BANKING SERVICES
Proposal Evaluation Summary
May 11, 2015

PROPOSAL SCORING CRITERIA		Points Possible	US Bank			Wells Bank		
Evaluator			#1	#2	#3	#1	#2	#3
1	Title Page, Table of Contents, Letter of Transmittal	5	3	4	3	5	5	5
2	Proposal Submission Form	5	5	0	0	5	5	5
3	Financial Strength	15	15	14	14	5	15	15
4	Qualifications, Experience & Facilities	20	20	15	17	20	18	19
5	Proposed Services	20	20	17	17	20	20	19
6	Process & Methodology	20	20	15	17	20	20	19
7	Implementation/Conversion Plan	10	10	5	7	10	10	10
8	New Technologies and Additional Services	10	10	8	7	10	10	10
9	References	5	5	3	5	5	5	5
10	Statements and Online Reports	10	10	8	10	10	10	10
11	Contractual Terms and Conditions	10	10	8	10	10	10	10
	SUBTOTAL	130	128	97	107	120	128	127
12	Cost Estimate	20	10	15	15	20	20	20
	TOTAL	150	138	112	122	140	148	147

SCOPE OF WORK

General banking services to include, but not limited to, the following:

Required Banking Services

Accept deposits, including ACH, fed wire transfers and bank card transactions.

Online reporting:

- Balance (previous day) and float analysis reporting
- Image (& end of month CD) of cleared checks
- Outstanding check reporting
- Origination of (ACH), Electronic Funds Transfer (EFT) & Fed wire transactions
- Daily & monthly account reconciliation reports, bank statements, account analysis statements, confirmation & other related features
- Stop payments and voids
- Monthly account statements and analysis (including CD)
- Ability to review online all detailed daily activity (current day, previous days, current and previous statements) – including all incoming and outgoing electronic activity including all descriptions attached to incoming ACH and fed wires.
- Night deposit services
- One primary General account for all deposits, accounts payable checks, ACH debits/credits, Electronic Funds Transfer (EFT) payments and incoming and outgoing wires, with positive pay.
- Investment Sweep account in compliance with state statute for local government investments.
- Payroll ZBA accounts for ACH/EFT (Direct Deposit)
- Ability to confirm Payroll Direct Deposits via online
- Accounts Payable ZBA accounts with positive pay
- Check imaging
- Future services may include: remote capture deposit, debit blocks, additional merchant accounts or any other banking products that may benefit the City or the Commission.

Banking Average Monthly Volumes

The City of Ashland currently maintains five (5) separate bank accounts directly related to the Concentration Account. In addition, separate bank accounts are used to track Flex Accounts.

The City of Ashland writes an average of 1,400 checks per month on these accounts. Additionally we process an estimated 900 Automated Clearing House (ACH) debits and 700 ACH credit with potential for increases. Attached hereto as **Exhibit B**, is a report showing banking average monthly volumes for the City of Ashland.

Please note: The Scope of Work in this RFP excludes City of Ashland procurement (credit) cards and third-party safekeeping of purchased investments.

Term of Agreement

The City intends to award a contract for a period of five (5) years.

Mandatory Requirements

The successful banking institution must:

1. Be a qualified public depository as prescribed by Oregon Revised Statutes 295.005 (4) and 295.025. Institutions must meet or exceed the requirements outlined therein.
2. Be a full service institution capable of providing at a minimum the required banking services identified in this Request for Proposal.
3. Be insured by the Federal Deposit Insurance Corporation (FDIC).
4. Be a federally or State of Oregon chartered financial institution.
5. Be a member of the Federal Reserve System and have access to all of its services.
6. Be a qualified depository for public funds under ORS 295.
7. Be capable of providing all of the services sought by City in this RFP.
8. Agree to assign experienced and dedicated staff that is committed and capable of serving our accounts.
9. Designate one bank officer (and appropriate backup) for issue resolution purposes.
10. Must have a branch office in the City of Ashland.