



CITY OF GLENDALE

Council Communication

Business-Voting Agenda

06/09/2006
Item No. ____

TO: Honorable Mayor and City Council

FROM: Ed Beasley, City Manager

PRESENTED BY: Ray Shuey, Chief Financial Officer

SUBJECT: **AWARD OF PROPOSAL 05-53, BANKING SERVICES**

Purpose

This is a request for the City Council to approve the award for banking services for the city. The Finance Department requires these services to serve the citizens of Glendale in an effective and efficient manner.

Council Policies Or Goals Addressed

This request to approve the banking service contract provides the resources and tools necessary to support the Council Goal of providing a fiscally sound City.

Background

A solicitation was issued for banking services to ensure that the City was receiving the best value in banking services available.

A consultant contract (Contract Number 05-32) with the Government Finance Officers Association (GFOA) was utilized to assist in the City's efforts. Under the guidance of GFOA, City personnel developed RFP #05-53.

RFP #05-53 was issued on December 15, 2005. A pre-proposal conference was held on January 5, 2006. Five banks (Bank of America, JP Morgan-Chase, M&I Bank, US Bank and Wells Fargo) submitted proposals on January 19, 2006.

An evaluation panel consisting of Finance Department accountants and customer service personnel reviewed the bank proposals. Based on the GFOA Proposal Assessment Report and their own review, the panel scored the proposals. The three highest scoring banks, Bank of America, JP Morgan-Chase and Wells Fargo, were placed on a short-list of finalists to be interviewed.

GFOA facilitated on-site demonstrations by the three finalists. Based on the interviews, the first evaluation panel considered and re-affirmed the three firms' standing as finalists. A second

interview panel then interviewed the top executive officers of the three finalist banks. This panel consisted of the Assistant City Manager, City Attorney, Deputy City Manager Art Lynch, and Chief Financial Officer. This panel unanimously ranked Bank of America first based on their overall ability to best serve the city, its employees, residents, and business community.

Previous Council/Staff Actions

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None.

Budget Impacts & Costs

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The cost for the core services provided by the bank, i.e. cash receipts, cash disbursements and armored car service will be paid for through a banking industry practice called compensating balances. This is a process whereby sufficient cash balances are maintained in the bank accounts to offset the costs charged for bank services on a monthly basis. Payments received by the City via credit card or debit card are processed through the banks merchant service division. The estimated on-going fiscal year 2006-07 costs for this service is listed below.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			\$120,000		\$120,000

Account Name, Fund, Account and Line Item Number:

Professional and Contractual 01-2210-7520.

Recommendation

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Approve the award for a contract for banking services to Bank of America.

Ed Beasley
City Manager

Preston, Melissa

From: Shuey, Ray
Sent: Wednesday, June 14, 2006 7:17 PM
To: Kavanaugh, Pam; Ellsworth, Meaghan; Lynch, Art; Tindall, Craig; Teskey, Kellie; Moreno, Jean; Schurhammer, Sherry
Cc: Goke, Diane; Eusebio, Christy; Brewer, Bill; Szymanski, Steve; Swaziek, James; Valentine, Lorraine; Preston, Melissa
Subject: Revised Council Communication for Banking Services Agreement for 6/15/06 10 A.M. Agenda Review is attached.
Importance: High

Attached is a revised version of the Council Communication for Banking Services, which I am presenting at Agenda Review tomorrow morning. I was out ill last Friday and did not have an opportunity to fine-tune some aspects of the Council Communication before it was submitted. Both Diane Goke and I decided to go back through the Council Communication today and make some revisions, resulting in the attached document.

My staff and I will bring 15 copies of the revised Council Communication and one-page Tabulation to the Agenda Review tomorrow morning and distribute it as a replacement copy prior to the start of the meeting.