



## Legislation Text

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**File #:** 17-0078, **Version:** 1

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Consider and take action on a resolution designating Wells Fargo Bank, N.A. to serve as the depository for the City of League City for the period of May 1, 2017 through April 30, 2020 with the option for two additional one-year renewals (Assistant City Manager)

Approval of this item will name Wells Fargo Bank, N.A. as the depository for City funds for the three-year period, May 1, 2017 through April 30, 2020. The contract may be extended for two (2) additional one-year terms under the same terms and conditions.

Chapter 105 of the Local Government Code, "Depositories for Municipal Funds" regulates the City's banking services. Among the requirements is that a depository contract term not exceed five years. The current contract with JP Morgan Chase was approved by City Council March 29, 2012 and will expire on April 30, 2017.

The act goes on to require a competitive process for this service and on November 7, 2016 the City issued a "Request for Application" (RFA 17-001) for eligible financial institutions as prescribed by the act. The RFA described the service needs and established evaluation criteria which included financial stability, ability to perform required and requested services, cost, completeness of application, funds availability and references. Eight (8) banks with a physical presence in League City were contacted directly, notice was posted in the official newspaper and on the City's website. On December 5, 2016 three (3) applications were received; JP Morgan Chase, Wells Fargo Bank and Amegy Bank.

The proposals were evaluated by a committee of finance staff using the evaluation criteria outlined in the RFA and the committee recommends that the City Council name Wells Fargo Bank as depository for the City for a five year term. Wells Fargo provided comparable cost with additional services and excellent customer service references. The estimated net cost for the five-year period is \$42,000.

The Finance Committee reviewed the recommendation at the February 6, 2017 meeting. Upon approval, the Assistant City Manager/Director of Finance will execute all required banking documents as authorized per Resolution 2012-33 and staff will begin the transition which will be complete by May 1, 2017.

**CONTRACT ORIGINATION:** Wells Fargo Bank by the City Attorney

**Attachment:**

1. Data Sheet
2. Proposed Resolution
3. RFA 17-001
4. RFA 17-001 Evaluation Scoring Matrix

**FUNDING**

{ X } Funds are available from Account #1400000-53120