

COMMUNICATION FROM CHAIR AND MEMBER, BUDGET AND FINANCE COMMITTEE, relative to authority for the Director of Finance to amend contracts with Wells Fargo Bank for general banking services.

Recommendations for Council action:

1. AUTHORIZE the Director of Finance, or designee, to amend Contract Nos. C-114564 and C-114826 with Wells Fargo Bank for a term of July 1, 2008 through June 30, 2015.
2. INSTRUCT the Office of Finance (Finance) to report back in three to four months with recommendations to reduce the City's cost for banking-related services including a cost analysis identifying any potential savings.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that funding is available in Department 39, Fund 100, Account 4040 (Bank Service Fees). This recommendation is in compliance with the City's Financial Policies in that there is no additional impact on the General Fund.

Community Impact Statement: None submitted.

SUMMARY

At its meeting of June 23, 2014, the Budget and Finance Committee considered a CAO report relative to Finance's request for approval to amend Contract Nos. C-114564 and C-114826 with Wells Fargo Bank (Contractor) to exercise options to extend the terms of the contracts by one year, from July 1, 2008 through June 30, 2015. There are no other changes to the terms and conditions of the contracts. The CAO reports that the original term of the agreements was five years, with five one-year options to renew. Contract No. C-114826 was executed with the Contractor, with Wells Fargo Merchant Services as the merchant card services subcontractor. Contract No. C-114564 was executed with Wachovia Bank, with Elavon as the merchant card services subcontractor. In December 2008, the Contractor acquired Wachovia Bank and inherited the contract.

During Committee discussion, Finance representatives provided an overview of the matter and responded to related questions from Committee members. After having provided an opportunity for public comment, the Chair and Member approved the CAO recommendation and additionally instructed Finance to report back in three to four months on the issues discussed in Committee related to reducing the City's cost for banking-related services. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	ABSENT
KORETZ:	ABSENT
BLUMENFIELD:	YES
BONIN:	ABSENT

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-NOT OFFICIAL UNTIL COUNCIL ACTS-