

BUDGET AND FINANCE COMMITTEE REPORT relative to executing Amendments to Contracts with JP Morgan Chase Bank, N.A. and its subsidiary Paymentech, LLC.

Recommendations for Council action:

1. AUTHORIZE the Director, Office of Finance (Finance), or designee, to execute Amendment No. 1 to Contract C-135446 with Paymentech, LLC, a subsidiary of JP Morgan Chase Bank, N.A. to provide merchant processing services, subject to the review of the City Attorney as to form.
2. AUTHORIZE the Director, Finance, or designee, to execute Amendment No. 2 to Contract C-135446 with JP Morgan Chase Bank, N.A. to provide general banking depository services, subject to the review of the City Attorney as to form.
3. AUTHORIZE the Director, Finance, or designee, to negotiate and enter into a Standby Letter of Credit Facility of up to \$4 million with JP Morgan Chase Bank, N.A. through April 19, 2025 to support the City's Contractor Development and Bonding Assistance Program, subject to the review of the City Attorney as to form.
4. INSTRUCT Finance to ensure the Contractor submits compliance documents for Equal Benefits and First Source Hiring and Disclosure Ordinances prior to contract execution.

Fiscal Impact Statement: The CAO reports that there is no additional General Fund impact as sufficient funding is provided in the Department's Bank Service Fees Account No. 004040.

Financial Policies Statement: The CAO reports that the actions recommended in this report comply with the City's Financial Policies in that ongoing expenditures will be funded by ongoing revenues.

Community Impact Statement: None submitted.

SUMMARY

At its regular meeting held on August 23, 2021, the Budget and Finance Committee considered a CAO report, dated August 19, 2021, attached to the Council file, relative to executing Amendments to Contracts with JP Morgan Chase Bank, N.A. and its subsidiary Paymentech, LLC.

During the meeting, representatives from Finance and the Office of the CAO provided an overview of the proposed contracts and responded to questions from the Committee.

After providing an opportunity for public comment, the Budget and Finance Committee recommended that Council approve the recommendations in the CAO report. This matter is now forwarded to Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
BLUMENFIELD:	YES
DE LEÓN:	YES
RODRIGUEZ:	YES
PRICE:	ABSENT

MM 8/23/21 Council file No. 17-1259-S1

-NOT OFFICIAL UNTIL COUNCIL ACTS-