



Pinellas County

Staff Report

File #: 19-1323A, **Version:** 1

Subject:

Ranking of firms and agreement with Wells Fargo Bank, N.A. for banking services.

Recommended Action:

Approval of the ranking of firms and agreement with Wells Fargo Bank, N.A. (Wells Fargo) for banking services.

- The contract continues to provide the Board of County Commissioners (BCC) and Clerk of the Court (Clerk) with comprehensive banking and treasury management services.
- After proposers provided minimum eligibility requirements, two firms were authorized to submit proposals; Wells Fargo was selected as the highest ranked firm and is recommended for award.
- Historically the Clerk's Finance Division has negotiated this contract on behalf of the BCC due to their expertise in this area
- The Agreements provide for Earning Credit Rate (ECR) which is a daily calculation of interest paid on idle funds tied to the US Treasury Bill Rate; the ECR should offset all costs for banking services
- The Agreements have a term of sixty months with provision for a twenty-four-month extension. The Clerk's agreement is provided for reference only and will be executed by Ken Burke, Clerk of the Circuit Court and Comptroller.
- This contract replaces a current contract that is expiring February 28, 2021
- The indemnification limits proposed by Wells Fargo are not in alignment with Resolution 06-70 governing such limits; working in concert with the Office of County Attorney, Clerk and BCC staff is requesting to approve the agreement and indemnification language as drafted. This contract is deemed a low risk contract and both firms took exception to the indemnification language as drafted in the solicitation document.

Contract No. 189-0463-P(LN) in an average annual amount of \$110,000.00 for a sixty-month contract value of \$550,000.00. Authorize the Chairman to sign and the Clerk of the Circuit Court to attest.

Strategic Plan:

Deliver First Class Services to the Public and Our Customers

5.2 Be responsible stewards of the public's resources

5.3 Ensure effective and efficient delivery of county services and support

Summary:

This contract continues to provide secure, reliable, cost effective, and efficient processing of County banking services. Services include, but are not limited to investment services, remote deposit, overdraft processing, credit card processing, lockbox and web services.

Resolution No. 06-70 prohibits the County from indemnifying others in most circumstances. The indemnification limits proposed by Wells Fargo in section 13.B of the agreement, third paragraph, are not in alignment with the limits established under County Resolution 06-70. The County has requested, and Wells Fargo has refused to further modify the proposed indemnification provision. Staff is requesting to move forward with finalizing the agreement for Board approval and requests acceptance of the proposed indemnification language. Both banking institutions took exception to the indemnification requirements advertised within the Request for Proposal (RFP).

Background Information:

An RFP was released on October 10, 2019, requiring minimum eligibility requirements to be met prior to submittal of proposals. The RFP contained requirements for both the Clerk and the Board. Two (2) responsive submittals were received with Wells Fargo selected as the highest ranked firm. Historically, the Clerk's Finance Division has negotiated this contract on behalf of the Board due to their expertise in this area. Negotiations were centered around several factors, including insurance requirements. Wells Fargo is the County's current banking institution and has demonstrated ability to meet the County's banking service requirements.

The negotiated agreement provides for an Earning Credit Rate (ECR), which is a daily calculation of interest paid on idle funds that reduces bank service fees. Customers, such as the County, with larger deposits and balances, pay lower bank fees for their accounts; the rate paid through ECR is tied to the US Treasury Bill Rate and should offset all costs for banking services.

The contract has a term of sixty (60) months with an optional twenty-four (24) month term extension. The firms in order of ranking are attached on the ranking spreadsheet.

Fiscal Impact:

It is anticipated that the ECR will cover all annual service fees and there will be no cost to the Board or the Clerk. The Board agreement includes a not to exceed amount of \$550,000.00, which is reflective of the potential fees should the ECR not exist in the contract. If the ECR is not as robust as anticipated, contract funding sources will be derived from Enterprise, General, Special Revenue, Internal Service and Capital Funds accordingly.

Staff Member Responsible:

Jeanette L. Phillips, Chief Deputy Director, Clerk of the Circuit Court and Comptroller
Merry Celeste, Division Director, Purchasing and Risk Management, Administrative Services
Joe Lauro, Director, Administrative Services

Partners:

N/A

Attachments:

Services Agreement (Board only)
Ranking Spreadsheet