



# City of Pflugerville

## Legislation Text

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**File #:** RES-0885, **Version:** 1

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Approving a resolution with the caption reading: "Resolution adopting a policy permitting the consideration of applications for primary depository bank services received from financial institutions that are not doing business within the municipal boundaries of the City".

First Texas Bank has notified the City that the current depository agreement that expires September 30, 2021 will not be renewed for a final allowed additional one-year term. The City has hired Valley View Consulting to assist in selecting a primary depository through a Request for Applications (RFA) process. During this interim, First Texas Bank and the City have entered into a 3 month extension of the depository agreement, expiring December 30, 2021.

Chapter 105 of the Texas Local Government Code requires the City to competitively solicit financial institutions located within the City's municipal boundaries to provide primary depository bank services. This chapter of the local government code (105.011) further allows the City Council to adopt a written policy permitting the consideration of applications received from financial institutions that are not doing business within the City's municipal boundaries when it is deemed to be in the best interest of the City.

It is in the best interest of the City to include financial institutions from outside the City's municipal boundaries to ensure a competitive application solicitation process. The bank, credit union, or savings association must maintain a place of business within the State of Texas and offer the services required by the depository services contract. The City will limit the selection of those financial institutions to specified locations outside of the City's municipal boundaries, determined by the consideration of operational convenience and increased competitiveness. The specified locations will be determined by City staff and disclosed in the Notice, advertisements (local and general circulation), and the Request for Applications.

If approved, the attached policy (included in the resolution as Exhibit A) would remain in place for future solicitations until it is rescinded by Council action.

Staff reviewed all zip codes surrounding the City of Pflugerville and then removed zip codes in which the distance is farther than practical and/or contained financial institutions already covered within the city limits. The draft list of possible financial institutions with expanded solicitation area is presented for informational purposes only.

### **Deadline for City Council Action**

None

### **Projected Future City Council Action**

Consider award of depository bank contract on October 12, 2021.

### **Fiscal Impact**

**Funding Expected:** Revenue  Expenditure  N/A

**Budgeted Item:** Yes  No  N/A

**Amount:** N/A

**1295 Form Required?** Yes  No

**Legal Review Required:** N/A  Required  Date Completed: 6/16/2021

**Supporting documents attached:**

Depository Eligibility Resolution

Draft Expanded Solicitation Area - Financial Institutions by ZIP Codes

**Recommended Action:**

Staff recommends approving a resolution with the caption reading: "Resolution adopting a policy permitting the consideration of applications for primary depository bank services received from financial institutions that are not doing business within the municipal boundaries of the City".