City of Pflugerville

Legislation Details (With Text)

File #:	RES-0928	**Version:** 1	**Name:**	
Type:	Resolution		**Status:**	Consent Agenda
File created:	10/1/2021		**In control:**	Finance
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Title: Approving a resolution with the caption reading: A resolution of the City of Pflugerville, Texas authorizing the City Manager to enter into a contract with Wells Fargo Bank, N.A. to provide primary depository and related banking services and establishing an effective date.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution - Primary Depository Bank, 2. Project Recap from Valley View Consultants, 3. Presentation from Valley View Consultants, 4. RFA #2021-11 Primary Depository Services

Date	Ver.	Action By	Action	Result
10/12/2021	1	City Council	Approved	Pass

Approving a resolution with the caption reading: A resolution of the City of Pflugerville, Texas authorizing the City Manager to enter into a contract with Wells Fargo Bank, N.A. to provide primary depository and related banking services and establishing an effective date.

The City previously received notification from the current depository, First Texas Bank, that they are no longer able to provide services to the City of Pflugerville. Finance began the process to select a new primary depository bank by entering into an agreement with Valley View Consulting, L.L.C. to assist the City in its Primary Depository Bank Request for Application (RFA) solicitation process.

The process for selecting a Primary Depository Bank is governed by the State of Texas Local Government Codes: Chapter 105 Municipal Depository Act; Chapter 176 Conflict of Interest Act; Chapter 2256 Public Funds Investment Act; and Chapter 2257 Public Funds Collateral Act.

The RFA process began with analyzing historical bank service usage and balance records as well as reviewing the necessary banking services and potential additional services. In order to create a more competitive process and to provide more banking options to the City, the City Council approved a resolution to include a list of eligible financial institutions within the City's municipal boundaries as well as the Zip Codes of 78660, 78664, 78728, 78758 and 78653. Based on these expanded boundaries, twenty (20) institutions were invited to submit an application in response to the RFA.

Applications were received from: Independent Financial; JP Morgan Chase Bank, N.A; PlainsCapital Bank; Southside Bank; Wells Fargo Bank, N.A.

The City carefully reviewed the submitted applications based on the following criteria in no particular order of priority:
1. Ability to perform and provide the required and requested services;
2. References provided and quality of services;
3. Cost of services;

4. Transition cost, retention and transition offers and incentives;
5. Funds availability;
6. Interest paid on interest bearing accounts and deposits;
7. Earnings credit calculation on compensating balances;
8. Completeness of application and agreement to points outlined in the RFA;
9. Applicants physical location as defined in the RFA and the convenience of location(s);
10. Previous service relationship with the City; and
11. Financial strength and stability of the institution.

The analysis began with an overall review of each bank's general financial strength and ability to provide the bank services necessary to meet the City's current and future service needs.

Based on the financial attractiveness of the application, the informative demonstration, the transition discussions, and the positive comments of the references, the City Staff believes that, overall, the most advantageous application for the City was offered by Wells Fargo Bank, N.A. The staff noted the following highlights as factors in their decision:

- Bank fees/interest earnings analysis: total earning exceeds projected bank fees
- Dedicated and engaged bank staff
- Online portal training
- Ability to accept e-payments for Utility Billing
- Onsite process mapping & improvements at no additional charge
- Bank location w/I 10-15 minutes from office
- Strong commitment to community service
- Support of daily processes
- Provide industry leading security & fraud protection
- Remote deposit
- Strong references reflecting excellent customer service

Valley View Consultants concur with the City Staff's recommendation. A project recap from Valley View Consultants is attached.

Tim Pinon with Valley View Consultants will provide a presentation on the RFA project. Carl Nicchio, Relationship Manager/Vice President with Wells Fargo Bank-Texas will introduce himself and be available for any questions.

This selection, upon approval, will commence on December 31, 2021, and terminate on December 31, 2023, with 3 additional one-year extension options.

Prior City Council Action
On June 22, 2021, City Council approved a 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.

Deadline for City Council Action
The current contract for banking services expires on December 30, 2021.

Funding Expected: Revenue _X_ Expenditure __ N/A __
Budgeted Item: Yes _X_ No __ N/A ___
Amount: _Estimated income totals $11,193 over the initial 2 year contract period.___

1295 Form Required? Yes _X_ No __
Legal Review Required: N/A __ Required _X_ Date Completed: _____

Supporting documents attached:
Resolution - Primary Depository Bank
Project Recap from Valley View Consultants
Presentation from Valley View Consultants
RFA #2021-11 Primary Depository Services

Recommended Action
Approve the resolution with the caption reading: A resolution of the City Council of the City of Pflugerville, Texas authorizing the City Manager to enter into a contract with Wells Fargo Bank, N.A. to provide primary depository and related banking services and establishing an effective date.