CITY OF BETHLEHEM

INTER-DEPARTMENTAL CORRESPONDENCE

**SUBJECT:** Request for Approval by City Council of Contract Award or Contract Price Increase Pursuant to City Ordinance, Article 121.05 (a)

Project or Contract Reference: Banking Services

**TO:** City Council, all members, and Council Solicitor

**FROM:** David L. Brong, Business Administrator

**DATE:** August 21, 2015

On behalf of the Administration, pursuant to City Ordinances, Article 121.05, I request City Council’s approval of the following recommendation of the referenced contract award or price increase.

* Check Type of Contract or Change:

 The contract is for over $50,000 and required to be bid under the Third Class City Code. We have advertised the above referenced project and received qualified bids. We recommend award of the contract to the bidder identified and for the reasons stated below.

 The recommendation is for a price increase of 10% or more for an existing contract over $50,000 that was previously bid and awarded under the Third Class City Code.

 X The contract is for the engagement of professional services. We have received and reviewed a proposal or proposals for professional services in connection with above referenced project or requirement for professional services. We recommend award of the contract.

* Is the contract appropriation or price increase included in this year’s budget? yes \_\_X\_no
* Identify contract funding sources (general fund, grants, loans, etc…..):

N/A

* The name and address of the recommended Contractor/Vendor/Professional Service Provider/Lowest Responsible Bidder are:

TD Bank

520 Wyandotte St

Bethlehem PA 18015

* Term of contract or estimated completion date, subject to standard extensions:

Minimum 4 years with option to extend

* Description of project or scope of services to be provided:

Establish a relationship with a banking institution that can offer the most comprehensive services at the most competitive rates.

* State the actual or estimated price to the City or the proposed Department budget allowance for the initial term; and state payment rate per unit of service if applicable:

$0

* Number of renewal term options and duration of each renewal, if any:

To be negotiated.

* Maximum dollar value of all renewals provided for beyond the original term as if all renewals were exercised:

 N/A

* Reasons for recommendation of Administration and Council approval of contract:

After reviewing the eight proposals that were submitted, we recommend awarding the contract to TD Bank for the following reasons:

* 160 Municipal clients in Pennsylvania.
* Bethlehem will incur no fees.
* The City will utilize an earnings credit rate of .35%.
* The City will earn an interest rate of .25%. (The projected monthly interest income would be $5,431.48 across all funds. $65,177.76/year).
* 2 bank contacts located in Bethlehem.
* Contacted references and received positive feedback.
* Convenient location and service hours. Branch located 1.2 miles from City Hall. Open 7 days a week.
* TD Electronic Presentment and Payment service is available.
* TD eTreasury internet-based information reporting and transaction service. Ability to customize and email reports.
* On TD eTreasury, wire transfer can be initiated as late as 5:00 p.m. and will include the Fed Reference number for all initiated wires within minutes of being sent.
* Well thought out implementation process.
* NSF checks will be redeposited 3 times before removing funds from City account.
* Checks drawn on TD are available the same day. All other checks are available the next day.
* TD Retail Lockbox service fees will be waived if used.
* TD Integrated Payables available to streamline A/P process.
* First order of checks and deposit tickets are free.

Copies To: Mayor By:

 Director of Administration

 Director of Budget and Finance

Law Bureau

 Purchasing Bureau

 Controller

Attachment: proposed resolution

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RESOLUTION NO. \_\_\_\_\_\_\_\_\_\_

Authorization for Contract or Amendment under Article 121.05(a)

 BE IT RESOLVED by the Council of the City of Bethlehem that the Mayor and the Controller and/or such other City officials as deemed appropriate by the City Solicitor, are hereby authorized to execute a Contract or Amendment and such other agreements and documents as are deemed by the City Solicitor to be necessary and/or related thereto, with the following named contractor, for the uses and purposes indicated in the supporting Recommendation of Award of Bid or Contract dated September 1, 2015:

1. Name of Contractor: TD Bank
2. Project or Contract Reference: Banking Services

 Sponsored by

 ADOPTED by Council this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_.

 President of Council

ATTEST:

 City Clerk