

TOWN OF PALM BEACH

Information for Town Council Meeting on: November 14, 2023

TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

VIA: Bob Miracle, CPA, Deputy Town Manager, Finance and Administration

FROM: Dean Mealy II, NIGP-CPP, CPPO Procurement and Contract Manager

RE: Awarding extension of Banking Agreement with TD Bank, N.A. for General Banking and Merchant Card Processing Services for a five-year period based on satisfactory performance - **Resolution No. 139-2023**

DATE: October 27, 2023

STAFF RECOMMENDATION

Town staff recommends that Town Council extend Banking Agreement with TD Bank N.A. for General Banking and Merchant Card Processing Services for a five-year period based on satisfactory performance.

GENERAL INFORMATION

RFP No. 2018-46 was awarded to TD Bank, N.A. based on a negotiated proposal. The contract negotiated is a revenue contract with charges for fees related to merchant services and banking services. During this five-year period, TD Bank, N.A. has provided excellent services to the Town.

The existing agreement expired in September 2023 and was approved for a two-month extension period at the October 2023 Town Council meeting.

During the past month, Bob Miracle and I have negotiated with TD Bank, N.A. for best terms as follows:

- As of the date of this Extension Agreement, the ECR, defined in TD's Response, shall be 1.50% (150 basis points) (the "ECR Floor"). Should the upper limit of the target range of the federal funds rate ("Fed Funds Rate") fall below the ECR Floor, the Bank shall adjust, within a reasonable period thereafter, the ECR to 50% of the current Fed Funds Rate. The Bank shall periodically readjust the ECR in this manner for the remainder of the contract term as set forth herein.

In a survey of local municipalities in the tri-county area, this proposal is the best offered.

TOWN ATTORNEY REVIEW

This format has been utilized by the Town in previous recommendations and was approved by the Town Attorney.

