

TOWN OF PALM BEACH

Information for Town Council Meeting on: September 13, 2018

To: Mayor and Town Council

Via: Kirk Blouin, Town Manager

From: Jane Le Clainche, Finance Director

Re: Banking Services Award of RFP No. 2018-46 for General Banking and Merchant Card Processing Services to TD Bank, N.A.
Resolution No. 169-2018

Date: August 28, 2018

STAFF RECOMMENDATION

Staff recommends that the Town Council approve Resolution No. 169-2018, awarding RFP No. 2018-46 for General Banking and Merchant Card Processing services to TD Bank, N.A.

GENERAL INFORMATION

The Town issued RFP 2018-46 for General Banking and Merchant Card Processing Services due to the upcoming expiration of the banking contract with Wells Fargo Bank. The Town received five (5) proposals. Staff hired PFM Asset Management, LLC to review the proposals due to the complexity of comparing the fees, interest rates and services offered. Through this process, the five firms were shortlisted to three (3) firms. A Selection Committee was formed to interview the final three firms. Committee members included Investment Advisory Committee Chairman, Dr. Michael Andrews, Deputy Town Manager, Jay Boodheshwar, and Assistant Finance Director, Amy Wood. The Selection Committee interviewed the (3) finalist firms and unanimously voted to recommended the selection of TD Bank, N. A. for both the Banking and Merchant Card Processing Services.

The Purchasing Manager and Sean Gannon with PFM both negotiated with TD Bank for more favorable terms that had been requested by the Selection Committee. TD Bank, N.A. was able to improve upon their original proposal which met the requests of the Selection Committee. The recommended contract will cover a five year term, which is the maximum term allowed by State Statue.

TOWN ATTORNEY REVIEW

The Town Attorney has reviewed Resolution No. 169-2018 for legal form and sufficiency.

FUNDING/FISCAL IMPACT

The proposal for banking services has approximate annual fees of \$17,898.48. This represents an approximate savings of \$19,144.27/yr. from our prior contract. In addition, the earning credit rates are expected to provide annual income of \$174,168.83 (based on an average collected balance per month of approximately \$9.5 million). The Wells Fargo proposal contained fees of \$29,815.08 and earning credit rate income of \$61,528.63. The proposal for merchant card services with First Data, (the Town's current provider) through TD Bank has estimated annual costs of \$13,276.20, which is the same as we pay currently.

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cc: Robert Wilkins, TD Bank, N. A.

Sean Gannon, PFM Asset Management, LLC