



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Treasurer-Tax Collector



Date: April 29, 2013
Board Meeting Date: June 18, 2013
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Sandie Arnott, Treasurer-Tax Collector

Subject: Agreement with Union Bank, N.A.

RECOMMENDATION:

Adopt a Resolution authorizing an agreement with Union Bank, N. A. to serve as the County's depository and full service bank for the term of July 1, 2013 through June 30, 2017, in an amount not to exceed \$2,000,000.

BACKGROUND:

The Treasurer-Tax Collector is charged with managing and protecting the County's financial assets and acts as banker for the County. The Treasurer-Tax Collector's objective is to obtain enhanced, quality banking services that are efficient and technologically advanced with an institution that provides strength and stability, at the most advantageous cost to the County and its taxpayers.

DISCUSSION:

Toward the end of the term of the current banking services contract with Union Bank N.A., the Treasurer-Tax Collector determined that it was in the best interest of the County to issue a Request for Proposals (RFP) for these services to ensure competitive pricing. An RFP was published on the Treasurer's website and sent to five (5) banking institutions on February 27, 2013 and was closed on March 18, 2013. After careful consideration and evaluation, Union Bank, N.A. was selected as the successful proposer. Banking services to be provided include, but are not limited to, account analysis, account reconciliation, business checking, check processing, information reporting, merchant services, wire transfers, web-based banking solutions and lockbox. Customer service will be handled by Union Bank's specialized Government Services Group by a staff that understands the special needs of government agencies.

The agreement and Resolution have been reviewed and approved by County Counsel as to form. The Contractor's insurance meets County Insurance Certification

requirements. A 3-year Waiver Request has been reviewed and approved by the Contract Compliance Committee.

The contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, non-discrimination and equal benefits.

Approval of this Agreement will contribute to the Shared Vision 2025 outcome of a Collaborative Community by allowing the Treasurer's Office to provide the highest quality banking services available.

PERFORMANCE MEASURE(S):

Measure	FY 2011-12 Actual	FY 2012-13 Projected
Percent of deposits processed within one day	98%	98%

FISCAL IMPACT:

The new contract reflects an overall reduction of 20% from the current contract costs and a one-time retention allowance of \$25,000 towards any new service currently earmarked for enhancements to cashiering services in the areas of automation and fraud detection. The amount of the contract will not exceed \$500,000 per fiscal year. Funding for the contract will originate from Pool Earnings. There will be no impact to the County budget.

Request for Proposals – Matrix

1	Where was the RFP advertised?	San Mateo County Treasurer's Website
2	In addition to any advertisement, list others to whom the RFP announcement was sent:	<p>Wells Fargo Government & Institutional Banking Government Banking-Northwest Division 550 California Street, 10th Floor San Francisco, CA 94104</p> <p>Bank of America Merrill Lynch Bank of America N.A. 315 Montgomery Street San Francisco, CA 94104</p> <p>Union Bank 200 Pringle Ave, Suite 250 Walnut Creek, CA 94596</p> <p>Bank of the West 500 Capitol Mall, Suite 1200 Sacramento, CA 95814</p> <p>Rabobank N.A. Government Banking Group 915 Highland Pointe Dr., Suite 350 Roseville, CA 95678</p> <p>Farmers & Merchants Bank 111 West Pine Street Lodi, CA 95240</p>

3	State the total number of RFP's sent to prospective proposers:	6
4	How many proposals did you receive?	1
5	List in alphabetical order the names of the proposers (or finalists, if applicable) and the location:	Union Bank, N.A. Government Services 350 California St., 10th Floor San Francisco, CA 94104