

County of San Mateo ~ 3-Yr Waiver Request to Contract Compliance Committee

This request is for a New contract Amendment

FROM: Carlos Lamas	DATE: 2/2/2021
DEPARTMENT: Treasurer – Tax Collector	Contractor Number: 1520018R072639
Contractor Name: MUFG Union Bank, NA	

What was selection process for the original purchase?

3 written quotes RFP Non-competitive Other (explain below)

Original Contract Start Date 7/1/2013	Original Contract End Date 6/30/2017	New End Date with Amendment 6/30/2022
Amendment Number 2	Original Contract Value \$2,000,000	New Contract Value W/Amendment \$4,000,000

Explain the funding source below for full term of the contract. Include this amendment if applicable.

This contract was previously amended for the term of 07/01/2017-06/30/2021 and an additional \$2,000,000 was approved to bring the not to exceed amount to \$4,000,000. The monthly cost of banking varies based on banking activity for each respective bank account and the bank's earning credit it offers. Throughout the life of this contact, earning credits have netted out most of the bank bill, resulting in no billable amount, however when there has been a billable amount, the County's average bill has been \$15,427.53. These occasional billings have been covered though each respective department's budget, which are included in their respective FY 2020-21 Adopted and FY 2021-22 recommended budgets. During this contact, Union Bank has billed a total of \$370,260.71 for its services in the 64 bank accounts. This amendment is not requesting for additional funds at this time.

Why is it in the County's best interest to execute this contract for over three years?

<input type="checkbox"/> Project will not be completed within three years	<input type="checkbox"/> It is a grant, co-operative purchase, or agreement with another public agency
<input type="checkbox"/> Temporary amendment pending new contract	<input type="checkbox"/> Better price with longer contract term
<input type="checkbox"/> Will become part of County infrastructure	<input checked="" type="checkbox"/> Other

Explain in more detail below why a contract longer than 3 years is in the County's best interest. If this is an amendment, explain how it was determined that the price is still fair and reasonable.

The Treasurer's Office would like to continue this banking relationship for one more year since it is a multi-departmental contract affecting the entire County's operational banking capabilities.

This being a multi-departmental contract affecting nearly every department who has banking needs, we need to be able to collaborate with those departments to build out the full scope of work needed to ensure continued continuity of our banking services with a new potential prospector. This will also require potential prospectors to meet with the County to meet and discuss desired expectations, considering the current pandemic conditions, key departmental stakeholders and potential prospectors may not be readily available to meet and discuss in a timely manner.

It is our expectation within a year, the RFP process can be fully executed with consultation from the various departments who utilize the service and potentially allow for the proper time to transition over to a new bank should the RFP process take us that route; This RFP process should not be rushed to ensure all specifications that go into a scope of work are fully vetted by all key users and avoid unnecessary start-up costs or risk unnecessary burden resulting from a unprepared prospector.

BELOW THIS LINE FOR CONTRACT COMPLIANCE COMMITTEE ONLY

APPROVED **NOT APPROVED**



 Jas Sandhar, County Procurement Manager

DATE: 2/8/2021