

**Date:** April 24, 2019

**To:** Board of Directors

**From:** Doug Kelsey

**Subject:** **RESOLUTION NO. 19-04-25 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH WELLS FARGO BANK, N.A., FOR GENERAL BANKING SERVICES**

**1. Purpose of Item**

This Resolution requests that the TriMet Board of Directors (“Board”) authorize the General Manager to execute a contract with Wells Fargo Bank, N.A., for General Banking Services (“the Services”).

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other \_\_\_\_\_

**3. Reason for Board Action**

Board approval is required for personal services contracts obligating TriMet to pay in excess of \$500,000.

**4. Type of Action**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**5. Background**

TriMet uses a wide variety of banking and treasury services for deposits, disbursements, cash management and safekeeping. Wells Fargo has provided treasury banking services for TriMet since 2009. It has been over ten years since TriMet went through a formal RFP process for financial banking services. Prudent procurement practices require the reevaluation of banking services on a periodic basis. Also, changes in technology, treasury management practices and banking industry structure provide opportunities to reevaluate banking services and costs. Therefore, TriMet determined an RFP for banking services should be issued to ensure the best value for the Agency.

**6. Procurement Process**

TriMet conducted a competitive Request for Proposals (“RFP”) process to select a contractor to perform the Services. The RFP was issued on December 14, 2018 with a due date of January 25, 2018. A total of 87 firms were directly notified of the RFP on TriMet’s vendor registration website, TriPS, of which 15 downloaded the documents. In addition, TriMet staff

reached out to several banks prior to release of the RFP in order to encourage competition. TriMet received four proposals in response to the RFP from JP Morgan Chase & Co. (“JP Morgan”), MUFG Union Bank, N.A. (“MUFG), U.S. Bancorp (“U.S. Bank”) and Wells Fargo, N.A. (“Wells Fargo”).

An Evaluation Committee (“EC”) comprised of staff from TriMet’s Finance and Administrative Services Division was appointed to review, evaluate and score the proposals. The evaluation criteria in the RFP included Qualifications of Firm and Staff; Service and Approach; Pricing; and Corporate Responsibility (including Diversity). The following table summarizes initial scoring:

Criterion (points)	Proposers			
	JP Morgan	MUFG	US Bank	Wells Fargo
Qualifications of Firm, Staff, Etc. (15 Points)	13.25	11.00	12.75	13.75
Service and Approach (35)	30.00	25.75	28.25	33.00
Pricing (25)	21.25	14.25	16.25	24.00
Corporate Responsibility (25)	23.50	21.25	23.25	23.00
<b>Total</b>	<b>88.00</b>	<b>72.25</b>	<b>80.50</b>	<b>93.75</b>

Based on the initial scoring, the EC determined that interviews were not necessary. The EC determined that while the JP Morgan proposal was strong, the service and approach and pricing offered by Wells Fargo was better on the whole. The EC elected to issue a request for Best and Final Offer (“BAFO”) to Wells Fargo, which sought clarification on several points of their proposal. The BAFO was issued on February 21, 2019, and Wells Fargo’s response was received on February 27, 2019. The EC determined that the responses were satisfactory and that no changes to the initial scores were necessary.

Wells Fargo offered an annual contract price of \$87,238.16 or \$872,381.60 over the ten-year life of the contract, if TriMet elects to exercise its renewal option. The price was deemed fair and reasonable based on competition. Pricing was also consistent with the independent cost estimate and current pricing with Wells Fargo.

**7. Diversity**

Wells Fargo’s workforce is comprised of 57% women and 34% minorities. Wells Fargo will be self-performing all work.

**8. Financial/Budget Impact**

The maximum amount of the contract will be \$872,381.60 over 10 years. The Services for the first year are covered under the Finance and Administrative Services Budget for FY19.

**9. Impact if Not Approved**

TriMet could re-procure the contract, however, this option is not recommended because Wells Fargo is a well-qualified firm and offered fair and reasonable pricing. Re-procurement would not result in more or better competition.

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TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A  
CONTRACT WITH WELLS FARGO BANK, N.A. FOR GENERAL BANKING  
SERVICES**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into a Contract with Wells Fargo, N.A., (“Wells Fargo”) for general banking services (“the Services”); and

**WHEREAS**, the total amount of the Contract exceeds \$500,000; and

**WHEREAS**, the TriMet Board of Directors (“Board”), by Resolution dated October 25, 2017, adopted a Statement of Policies requiring the Board to approve personal services contracts obligating TriMet to pay in excess of \$500,000;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Contract shall conform with applicable laws.
2. That the General Manager or his designee is authorized to execute the Contract in an amount not to exceed \$87,238.16, or \$872,381.60 over the ten-year life of the Contract.

Dated: April 24, 2019

Attest:

\_\_\_\_\_  
Presiding Officer

\_\_\_\_\_  
Recording Secretary

Approved as to Legal Sufficiency:

  
\_\_\_\_\_  
Legal Department