



Department Source: Finance

To: City Council

From: City Manager & Staff

Council Meeting Date: May 3, 2021

Re: Authorizing the City Manager to execute a financial services agreement with Commerce Bank for banking and merchant services

Executive Summary

This resolution authorizes the City Manager to execute a financial services agreement which designates Commerce Bank as the depository of City funds.

Discussion

On August 6th, 2020 the City solicited a request for proposal (RFP) for Financial Services – Banking and Merchant Services. The RFP yielded four responses: Commerce Bank, JP Morgan, Simmons Bank, and US Bank. Commerce Bank submitted the most advantageous reply to the City with the lowest cost of services, \$155,212 lower than the next best offer, for the contracted period.

The original contract period shall be two (2) years, with the City's right to renew for six (6) additional one-year renewal periods, for a possible total contract period of eight (8) years. Since the City still retains the option to rebid the contract at any time after the initial 2 year period, the approval of the contract for 8 years provides the maximum benefit to the city without giving up flexibility.

Fiscal Impact

Short-Term Impact: N/A

Long-Term Impact: N/A

Strategic & Comprehensive Plan Impact

[Strategic Plan Impacts:](#)

Primary Impact: Operational Excellence, Secondary Impact: Secondary, Tertiary Impact: Tertiary

[Comprehensive Plan Impacts:](#)

Primary Impact: Not Applicable, Secondary Impact: Secondary, Tertiary Impact: Tertiary

Legislative History

Date	Action
10/15/2012	R183-12 Authorizing the City Manager to extend the proposed banking contract an additional 3 years for a total contract period of 8 years.

Suggested Council Action

Approval of the banking and merchant services contract.