

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: February 19, 2015

File: BIS 15 – 109

File: TMP-2015-00062

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE THE ATTACHED AGREEMENT BETWEEN WELLS FARGO BANK, N.A. AND THE CITY OF HOLLYWOOD; PROVIDING FOR A PIGGYBACK OF THE BANKING SERVICES AGREEMENT AWARDED BY THE CITY OF SUNRISE FOR AN INITIAL TERM BEGINNING MAY 1, 2015 THROUGH JULY 31, 2017; INCLUDING THE OPTION OF RENEWAL FOR FIVE ADDITIONAL ONE YEAR PERIODS; AT AN ANNUAL COST NOT TO EXCEED \$125,000.00.

Statement of Budget Impact:

1. ☐ No Budget Impact associated with this action;
2. ☒ Sufficient budgetary resources identified/available;
3. ☐ Budgetary resources not identified/unavailable;
4. ☐ Potential Revenue is possible with this action;
5. ☒ Will not increase the cost of Housing;
6. ☐ May increase the cost of Housing; (CDAB review required)

Explanation:

This Resolution seeks to authorize the appropriate City Officials to enter into and execute a banking services agreement between Wells Fargo Bank, N.A., "Well Fargo", and the City of Hollywood, "City". Previously, at the conclusion of a competitive selection process, a bid award was made to Wells Fargo and an agreement between the parties was successfully concluded that provided certain banking services to be provided to the City by Wells Fargo for a five (5) year term from May 1, 2010 through April 30, 2015. In surveying the options available to the City to secure the continuation of certain banking services, the City has identified a bid awarded by the City of Sunrise, Florida, pursuant to the City of Sunrise's request for proposal, RFP (10)A-08, to Wells Fargo effective August 1, 2012 and running for an initial five (5) year term. Furthermore,

the Sunrise agreement provides the option of five (5) additional one (1) year renewals. The City seeks to enter into a banking services agreement with Wells Fargo based upon similar terms, conditions, and pricing as set forth in the City of Sunrise's agreement with Wells Fargo for an initial term commencing May 1, 2015 and ending on July 31, 2017. Additionally, the proposed agreement would provide for five (5) one (1) year renewals after the running of the initial 27 months term of the agreement.

The City Purchasing Ordinance in §38.40(C)(5) provides in part that when it is in the best interests of the City, the City may procure, without following formal contract procedures, all contractual services which are the subject of contracts with other governmental entities when the governmental entity's contract is based strictly on competitive proposals. Upon reviewing and considering the pricing provisions of the Sunrise agreement, it was determined that the City would receive increased cost savings under an agreement based upon the Sunrise agreement.

Funding for the banking services cost to be incurred under the proposed agreement will be paid through certain interest earnings the City would have otherwise received on funds deposited at Wells Fargo and paid to Wells Fargo for banking services rendered in an amount not to exceed \$125,000.00 annually.

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