

## LETTER OF RECOMMENDATION

RFP 15RFP120

### BANK DEPOSITORY CONTRACT

Wells Fargo Bank is recommended as the Bank Depository per RFP 15RFP120. On May 4<sup>th</sup> and 5<sup>th</sup>, 2015, meetings were held with each of the banks in order to clarify their actual RFP submissions. The various worksheets were reviewed with each bank in an attempt to more fully understand their capabilities and pricing. From this initial interview, two banks were chosen, JP Morgan Chase and Wells Fargo. While BBVA Compass was considered, their total scoring eliminated them from the top two. All three banks received perfect scores on Past and Prospective Financial Conditions, and their ability to pledge adequate securities against County funds. BBVA Compass did have a limitation to the total amount of funds that could be deposited (collateralized), the other two banks did not. Within that limitation, it was felt that BBVA Compass could pledge adequate securities, but having the limitation did reduce their score for Experience and Ability to meet Service Requirements. While BBVA Compass was competitive in Total Cost of Services, they were not as competitive on Net Rate of Return. Consequently, BBVA Compass was eliminated from the next round.

During the week of May 11<sup>th</sup>, the two remaining banks were provided additional “homework”, specifically to complete two more worksheets. The first, titled “Bank Services Proposed Fees” was a very detailed pricing worksheet, similar to that provided in the original RFP, but with additional requests. Each Bank was to complete the worksheet, ensuring that the FDIC Recoupment amount was included, as well as what a Compensating Balance would be to avoid all monthly fees. Applicants were requested to make recommendations of what monthly and per item services might be needed, based on quantities provided, and the basic premise that there were five main bank accounts within the County that needed most services.

Based on this input, as well as two Bank Deposit Forms (Vault and Branch), an additional meeting was held on May 15<sup>th</sup> (JP Morgan Chase) and May 18<sup>th</sup> (Wells Fargo). The banks were scored under specific criteria as follows:

Presentation: Wells Fargo gave an in-depth explanation of pricing and services using an interactive pricing model, clearly providing information of various services the County might need, as well as quantities where they could generally be determined. At the end of the presentation we had a fair guesstimate of pricing along with the Compensating Balance of funding needed to offset fees. Wells Fargo used their “homework” assignment as the basis for

their interactive model, while JP Morgan Chase failed to complete their assignment in their original submission.

Customer Services/Resources/Point of Contact: The Committee felt that both banks would provide excellent Customer Service and had solid points of contact should the County have any problems with either implementation or daily operations. This was based on phone calls made to References provided by each, and through phone calls to the Committee's respective peers in the various counties. Wells Fargo, however, expressed much more confidence in their implementation process, providing a proposed schedule and providing comments/examples of previous implementations. Their deployment of "resources" consequently was stronger.

Product Knowledge/Technical: Wells Fargo, through their interactive model, took the opportunity to more fully explain their various products, providing suggestions along the way as to what services the County might use. Scoring was very close, however, because the Committee is well aware of the great reputation that JP Morgan Chase has with its customers with regard to Product knowledge, Technical expertise, and Technology in general.

Cost Analysis: Wells Fargo had an edge on pricing, however it is acknowledged that at this point, the County has scant information on how much of each service (per item) will be required. Therefore a slight edge was given to Wells Fargo based on their various proposed fees.

Incentives: With four free months of Bank Analysis fees, at no limitation, Chase clearly provided the best Incentive package (original submissions).

Best and Final Offer: Both Banks provided generous Best and Final Offers.

