

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 15, 2010

Board Item: 2-A-4

CONTRACT FOR BANKING SERVICES

Action by Consent

Action

Information

The Board's contract with US Bank for banking services expires December 31, 2010. The current contract has an option to renew for one more year but staff decided to re-bid the contract.

A Request for Proposal ("RFP") for banking services was distributed through BidNet. Prerequisites to bid included certification by the Colorado State Banking Board under the Colorado Public Deposit Protection Act and maintenance of a "Satisfactory" or higher rating under the Federal Community Reinvestment Act. The RFP also included quotes for controlled disbursement and electronic lockbox services which are currently being provided by two other banks.

The Board received six proposals which were reviewed by treasury and accounting staff. The reviewers used a score sheet with multiple rating categories to evaluate the banks. The results are included in Exhibit A which is attached to this Board item. Wells Fargo Bank and US Bank scored high among all banks in their abilities to provide required services and best technology. Of the two, US Bank had the lowest fee structure. Additionally, US Bank's fees for controlled disbursement and electronic lockbox services were significantly less than the current providers.

The new contract will be effective January 1, 2011. Net annual fees for this contract are expected to be approximately \$45,000.

Recommendation:

It is recommends that the Board approve contracting with US Bank for banking services for three years with an option to extend it for two additional years based on satisfactory performance.

Approvals:

Respectfully submitted,


James Lochhead, CEO/Manager


Angela Brimont, Director of Finance