

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: October 10, 2012

Board Item: V-A-3

**Agreement for Retail Lockbox Services
Contract # 14226A**

Action by Consent

Action

Information

Denver Water's current vendor, Wells Fargo Bank, has provided lockbox and payment processing services since February 15, 2000.

On June 28, 2012, Denver Water issued a Request for Proposal for Retail Lockbox Services. The RFP was downloaded to 51 financial institutions through the Rocky Mountain E-Purchasing System and sent to 10 SBE trade organizations. Seven proposers submitted responses to the RFP. The responses were evaluated based on a number of criteria including experience, technology, ability to perform, past experience with Denver Water, and price. From that list, three top proposers were selected for further consideration: Wells Fargo Bank, UMB Bank Colorado, n.a, and US Bank. Site visits were conducted for UMB Bank Colorado, n.a., and US Bank to verify that processes and equipment were adequate. UMB Bank Colorado, n.a., was the selected service provider.

Compensation is expected to average \$14,000.00 per month. The annualized cost is approximately \$168,000.00. The initial term of the contract is three years with the option to renew afterwards on an annual basis.

Funds for retail lockbox services have been included in the 2013 budget and ten year operating plan.

Recommendation:

It is recommended that the Board approve Contract 14226A with UMB Bank Colorado, n.a., in the amount of \$900,000.00 through December 31, 2015.

Approvals:

Respectfully submitted,


for Patricia Wells
General Counsel


James S. Lochhead
CEO/Manager


Angela C. Bricmont
Director of Finance