



FINANCE DEPARTMENT
MEMO 24-020

Date: February 20, 2024

To: Greg Harrison, City Manager

A handwritten signature in black ink, appearing to be "GH", written over the name "Greg Harrison".

From: Allison Feurtado, CPA, Finance Director

A handwritten signature in black ink, appearing to be "AF", written over the name "Allison Feurtado".

Subject: Government Banking Services Agreement

The City entered into a five-year agreement with JPMorgan Chase Bank on March 17, 2014, which was subsequently amended on April 15, 2019 and extended to March 16, 2024. The City has evaluated the ongoing relationship with JPMorgan Chase Bank and has come to the initial conclusion that it is in the City's best interest to extend term of the banking services currently performed by JPMorgan Chase Bank. We are therefore, requesting an additional five years of continued banking service with JPMorgan Chase Bank with the option to renew based on mutual agreement for an additional five years thereafter.

The City, with our independent financial advisors PFM, conducted an analysis to help the City determine if it should undergo a competitive banking RFP or directly establish a new contract with its existing provider. After careful examination of the existing services and limited opportunity for cost savings by switching providers, PFM recommended that the City directly negotiate with JPMorgan to amend the existing contract with our new terms.

Over the many years, Finance staff has had very positive experience with JPMorgan Chase Bank and per reviewing current market trends was able to negotiate favorable terms. We would like to recommend amendment of the existing contract with the new terms.