

## PROCUREMENT SUMMARY

## BANKING SERVICES / PS27736000

1.	<b>Contract Number:</b> PS27736000	
2.	<b>Recommended Vendor:</b> Bank of America	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> October 26, 2016	
	<b>B. Advertised/Publicized:</b> October 26, 2016	
	<b>C. Pre-Proposal Conference:</b> November 7, 2016	
	<b>D. Proposals Due:</b> December 2, 2016	
	<b>E. Pre-Qualification Completed:</b> January 19, 2017	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> December 5, 2016	
	<b>G. Protest Period End Date:</b> May 22, 2017	
5.	<b>Solicitations Picked up/Downloaded:</b> 10	<b>Bids/Proposals Received:</b> 2
6.	<b>Contract Administrator:</b> Gregory Baker	<b>Telephone Number:</b> (213) 922-7577
7.	<b>Project Manager:</b> Jin Yan	<b>Telephone Number:</b> (213) 922-2127

**A. Procurement Background**

This Board Action is to approve Contract No. PS27736000 issued in support of basic and specialized banking services including daily balance reporting, payment processing, automated wire transfer, Automated Clearinghouse (ACH) and Electronic Fund Transfer (EFT) payments, coin and currency deposits, lockbox services, stop payments, remote deposit, and account reconciliation. Board approval of contract awards are subject to resolution of any properly submitted protest.

Request for Proposal (RFP) No. PS27736 was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit rate. The RFP was issued with a 0% SBE goal due to lack of subcontracting opportunities.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on November 10, 2016, clarified how proposers are required to submit the hard copies and electronic copies of the proposal, revised the proposal due date to December 2, 2016, deleted and replaced the Submittal Requirements to remove Merchant Card Services requirement and provided the Pre-Proposal Conference documentation;
- Amendment No. 2, issued on November 16, 2016, amended the Statement of Work under "Section B. Lockbox Services, Subsection 2 to correct the referenced Exhibit to Exhibit C – Price Schedule."

A pre-proposal conference was held on November 7, 2016, attended by 16 participants representing six banks, followed by a site walk of Metro's cash counting facility, where six pre-registered participants representing three banks attended. There were 50 questions asked and responses were released prior to the proposal due date.

A total of two proposals were received on December 2, 2016.

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from Metro's Treasury, Accounting and Diversity and Economic Opportunity Departments was convened and conducted a comprehensive evaluation of the proposals received. The two proposals received are listed below in alphabetic order:

1. Bank of America (BoA)
2. Wells Fargo

The proposals were evaluated based on the following evaluation criteria and weights:

- |   |            |
|---|------------|
| • Workplan Approach   | 50 percent |
| • Experience and Capabilities of the Firms on the Contractor's Team | 10 percent |
| • Qualifications and Experience of Proposed Personnel               | 10 percent |
| • Small Business and Community Reinvestment Activities              | 10 percent |
| • Cost Proposal   | 20 percent |

Several factors were considered when developing these weights, giving the greatest importance to Workplan Approach.

The PET completed their independent evaluation of the technical proposals on December 15, 2016, and it was determined that Bank of America (BoA) was the highest ranked firm to render the required services.

### **Qualifications Summary of Firms within the Competitive Range:**

#### **BoA**

BoA is the incumbent and has provided Metro with banking services over the last ten years. BoA demonstrated broad experience within the transportation industry and dealing with public agencies. They clearly demonstrated their workplan approach in providing the requested banking services to Metro and presented a strong team that has over 100 years of combined experience. Additionally, BoA provided an extensive list of new programs and innovative approaches that can benefit Los

Angeles County residents and small businesses that included empowering entrepreneurs and women entrepreneurs.

**Wells Fargo**

Wells Fargo’s proposed team has sufficient experience in dealing with banking services for public agencies; however, they did not provide a well presented workplan approach, especially in areas around cut-off times for Lockbox and Depository Services, where a delay of one business day might occur before posting to Metro’s accounts.

A summary of the PET scores is provided below:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>BoA</b>				
3	Workplan Approach	96.66	50.00%	48.33	
4	Experience and Capabilities of the Firm's on the Contractor's Team	94.20	10.00%	9.42	
5	Qualifications and Experience of Proposed Personnel	97.70	10.00%	9.77	
6	Small Business and Community Reinvestment Activities	76.50	10.00%	7.65	
7	Cost Proposal	72.70	20.00%	14.54	
8	<b>Total</b>		<b>100.00%</b>	<b>89.71</b>	<b>1</b>
9	<b>Wells Fargo</b>				
10	Workplan Approach	78.66	50.00%	39.33	
11	Experience and Capabilities of the Firm's on the Contractor's Team	75.70	10.00%	7.57	
12	Qualifications and Experience of Proposed Personnel	86.60	10.00%	8.66	
13	Small Business and Community Reinvestment Activities	69.90	10.00%	6.99	
14	Cost Proposal	100	20.00%	20.00	
15	<b>Total</b>		<b>100.00%</b>	<b>82.55</b>	<b>2</b>

**C. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based upon technical analysis, price analysis, fact finding, and negotiations.

Metro staff successfully negotiated a cost savings of \$1,560,570.

	<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated NTE amount</b>
1.	Bank of America	\$3,889,479	\$2,500,000	\$2,328,909
2.	Wells Fargo	\$2,828,438	\$2,500,000	

**D. Background on Recommended Contractor**

The recommended firm, BoA, located in Newport Beach, California, has been serving California for over 110 years. In 1982, the bank formed their Public Sector Banking group to address specific needs of federal, state and local government clients. The bank's team has a combined total of 100+ years of treasury management experience, most of which has been with high-profile public sector clients. BoA is the incumbent on Metro's current banking services contract.