

PROCUREMENT SUMMARY

BANKING SERVICES / PS99982000

1.	Contract Number: PS99982000	
2.	Recommended Vendor: Bank of America, N.A.	
3.	Type of Procurement (check one): <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.	Procurement Dates:	
	A. Issued: February 14, 2023	
	B. Advertised/Publicized: February 14, 2023	
	C. Pre-Bid Conference: February 24, 2023	
	D. Proposals Due: March 21, 2023	
	E. Pre-Qualification Completed: July 19, 2023	
	F. Conflict of Interest Form Submitted to Ethics: March 21, 2023	
	G. Protest Period End Date: October 24, 2023	
5.	Solicitations Picked up/Downloaded: 14	Bids/Proposals Received: 4
6.	Contract Administrator: Manchi Yi	Telephone Number: (213) 418-3332
7.	Project Manager: Erica Gaskill	Telephone Number: (213) 922-4031

A. Procurement Background

This Board Action is to approve the award of Contract No. PS99982000 to provide banking services. Board approval of contract award is subject to resolution of all properly submitted protest(s), if any.

The Request for Proposal (RFP) No. PS99982 was issued as a competitive procurement in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit rate. The Diversity & Economic Opportunity Department did not recommend an SBE/DVBE participation goal for this procurement due to a lack of subcontracting opportunities.

No amendments were issued during the solicitation phase of this RFP.

A total of 14 firms downloaded the RFP and were included on the planholders list. A virtual pre-proposal conference was held on February 24, 2023, with eleven participants in attendance representing four firms. A worksite visit of Metro's cash counting facility was conducted on March 1, 2023, with three firms in attendance. Fifty-two questions were received, and responses were released prior to the proposal due date.

A total of four proposals were received by the due date of March 21, 2023, and are listed below in alphabetical order:

1. Bank of America, N.A.
2. JPMorgan Chase Bank, N.A.
3. U.S. Bank National Association
4. Wells Fargo Bank, N.A.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro's Treasury and Accounting departments was convened and conducted a comprehensive technical evaluation of the proposals received.

Evaluations were conducted from March 24, 2023, through April 11, 2023.

The proposals were first evaluated based on the following evaluation criteria:

Evaluation of Minimum Requirements: This is a pass/fail criteria. To be responsive to the RFP minimum requirements, proposers must meet the following:

1. Must be able to create, print, and mail checks on the same day (subject to established deadlines);
2. Controlled disbursement final clearing information must be available by 7:00 a.m. PST;
3. Must offer Positive Pay, "Payee" Positive Pay, and Teller Positive Pay;
4. Electronic statements must be available by the fifth (5th) day following month end; and
5. Must offer Remote Deposit.

Two of the four proposals were deemed non-responsive to the RFP requirements. U.S. Bank National Association failed to meet the first minimum qualification requirement, while Wells Fargo Bank, N.A. indicated it will not be proposing on Custody Services; which is one of the major tasks required in the scope of services. Therefore, both firms were excluded from further consideration.

The PET continued to evaluate the remaining two proposals based on the following weighted evaluation criteria:

- | | |
|---|-----|
| • Understanding of the Workplan Approach | 45% |
| • Prime Contractor's Skill and Experience | 10% |
| • Qualifications and Experience of Proposed Personnel | 10% |
| • Management Plan | 10% |
| • Small Business and Community Support | 5% |
| • Cost Proposal | 20% |

The evaluation criteria is appropriate and consistent with criteria developed for other similar banking services procurements. Several factors were considered when

developing these weights, giving the greatest importance to understanding of the workplan approach. The PET evaluated the proposals based on the pre-established evaluation criteria.

At the conclusion of the evaluation process, the PET determined Bank of America, N.A. to be the highest ranked firm.

Qualifications Summary of Firms within the Competitive Range:

Bank of America, N.A.

Bank of America, N.A. (B of A), the incumbent contractor, has been providing banking services to Metro for over 20 years. It provides a full range of banking, investing, asset management and other financial and risk management products and services. Since 1910, B of A has served a number of federal, state and local government clients.

B of A, ranked highest in the areas most critical to Metro’s needs including: online access to monthly account statements, next-day positive pay verification, instant access to images and data from lockbox deposits; a streamlined paper disbursement function which allows direct download from Metro’s Financial Information System; a late cutoff time for same-day/next-day check printing that satisfies Metro’s regulatory requirements; an extensive branch network in Los Angeles County; and an experienced customer service team with government banking expertise.

JPMorgan Chase Bank, N.A.

JPMorgan Chase Bank, N.A. (Chase), headquartered in New York City was built on the foundation of more than 1,200 predecessor institutions that merged to form today’s company. Its earliest predecessor institution was founded in 1799. Chase provides investment banking, financial services for consumers, small businesses, commercial banking, financial transaction processing, and private equity. It serves a number of prominent corporate institutional and government clients.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Bank of America, N.A.				
3	Understanding of the Workplan Approach	95.00	45%	42.75	

4	Prime Contractor's Skill and Experience	96.60	10%	9.66	
5	Qualifications and Experience of Proposed Personnel	95.00	10%	9.50	
6	Management Plan	93.30	10%	9.33	
7	Small Business and Community Support	95.00	5%	4.75	
8	Cost Proposal	67.80	20%	13.56	
9	Total		100%	89.55	1
10	JPMorgan Chase Bank, N.A.				
11	Understanding of the Workplan Approach	86.87	45%	39.09	
12	Prime Contractor's Skill and Experience	71.70	10%	7.17	
13	Qualifications and Experience of Proposed Personnel	91.70	10%	9.17	
14	Management Plan	85.70	10%	8.57	
15	Small Business and Community Support	90.00	5%	4.50	
16	Cost Proposal	100.00	20%	20.00	
17	Total		100%	88.50	2

C. Price Analysis

The recommended price has been determined to be fair and reasonable based on technical analysis, price analysis using industry unit rates and historical data, and fact finding.

	Proposer Name	Proposal Amount	Metro ICE	Recommended Amount
1.	Bank of America, N.A.	\$5,098,207	\$4,860,000	\$5,098,207
2.	JPMorgan Chase Bank, N.A.	\$3,455,372		

The variance between the independent cost estimate (ICE) and the recommended amount is due to increased costs to process farebox currency and coin. Bank of America's price will be reduced depending on the earnings credit rate in place during each fiscal year and Metro anticipates a substantial reduction in overall contract costs of up to 40-50% as a result.

D. Background on Recommended Contractor

Bank of America, N.A. (B of A) headquartered in Charlotte, North Carolina, has supported the needs of federal, state, and local government clients since 1910. Its public sector clientele in California includes County of Los Angeles, Bay Area Rapid Transit, Local Initiative Health Authority for Los Angeles County, and Los Angeles County Employees Retirement Association.

B of A's public sector banking center located in Los Angeles has provided banking services to Metro for over two decades and performance has been satisfactory.