



# City of Benbrook

## CITY COUNCIL COMMUNICATION

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### Background

The current bank depository contract was awarded in October, 2014 and split between BBVA Bank and Pinnacle Bank. The contract was for five years and was extended one additional year.

The City of Benbrook currently maintains seven accounts between BBVA Bank and Pinnacle Bank; these accounts are: General Funds (General Fund, Debt Service Fund, Capital Project Fund, etc.), Payroll, Ambulance, Hotel-Motel Tax, COPS, PEG, and EDC.

### Bid Process

On July 22, 2020, the City distributed requests for proposals for the City's depository contract to every qualified institution within Benbrook. Copies were emailed to: BBVA Bank, Chase Bank, Pinnacle Bank, and Wells Fargo Bank. The City also advertised for proposals in the July 22, 2020 edition of the Fort Worth Star Telegram, and on the City's website.

The deadline for the proposals was 2:00 PM, Wednesday, September 9, 2020 and the following five financial institutions provided proposals before the deadline: BBVA Bank, Pinnacle Bank, Wells Fargo Bank, UMB Bank, and Origin Bank.

### Evaluation Process

The five proposals received were evaluated based on criteria in the RFP. All the banks could meet the service requirements of the City. The primary differences were cost of services and the earning rate on idle cash. The proposals were scored and are ranked below.

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|---------------------|-----------|
| 1. Pinnacle Bank    | 99 points |
| 2. BBVA Bank        | 96 points |
| 3. Wells Fargo Bank | 92 points |
| 4. Origin Bank      | 86 points |
| 5. UMB Bank         | 78 points |

### Analysis

The top two scoring banks were Pinnacle and BBVA. Both banks provide the services required by the City. Although the City has been happy with both BBVA and Pinnacle Bank, Pinnacle Bank's net cost of services and earnings on idle cash scored much higher in the evaluation. Pinnacle Bank's current estimated annual net earnings are \$33,718, which is significantly higher than any of

SUBMITTED BY:	DISPOSITION BY COUNCIL: <input type="checkbox"/> APPROVED <input type="checkbox"/> OTHER (DESCRIBE)	PROCESSED BY: CITY SECRETARY
CITY MANAGER		DATE:

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the other banks. Therefore, Staff recommends awarding the bank depository contract to Pinnacle Bank.

**RECOMMENDATION**

Staff recommends that the City Council award the depository contract to Pinnacle Bank for a period not to exceed five years effective November 1, 2020.