




HISTORIC
FRANKLIN
TENNESSEE

ITEM #12
WRKS 04/23/13

MEMORANDUM

April 15, 2013

TO: Board of Mayor and Aldermen

FROM: Eric S. Stuckey, City Administrator 
Russell Truell, Assistant City Administrator / CFO
Mike Lowe, Comptroller
Brian Wilcox, Purchasing Manager

SUBJECT: Consideration of contract award to Pinnacle Bank of Nashville, TN for banking services for the fiscal year beginning July 1, 2013, with three (3) options to extend for one (1) year each, not to exceed a total of four (4) years as mutually agreed by both parties (Purchasing Office Procurement Solicitation No. 2013-015; to be reflected in the proposed budget for fiscal year 2014; Contract No. 2013-0044)

Purpose

The purpose of this procurement is to retain banking services for the City for the City fiscal year beginning July 1, 2013, with three (3) options to extend for one (1) year each, not to exceed a total of four (4) years as mutually agreed by both parties.

Background

The City published on February 28, 2013 a Notice to Bidders in the *Williamson Herald* for banking services. In addition, solicitation documents were sent on or about the same date directly to 23 potential proposers known or thought to be interested in this solicitation. Proposals from ten (10) financial institutions were publicly opened at the submittal opening held on April 9, 2013. A tabulation of the proposals received for this solicitation is attached.

Financial Impact

The proposal ranked highest by the proposal evaluation team, from Pinnacle Bank of Nashville, TN reflects a net return (interest earned by the City less actual or imputed charges paid by the City) in the approximate amount of \$7,500 per month based on average balances from the then most recent and available twelve-month period. The City allocates interest earned to each fund to which the interest is attributable, and allocates banking service fees to the Finance and Revenue Management departments.

Options

In accordance with the solicitation documents, the City reserves the right to reject any and all proposals.

Recommendation

Staff recommends that the City accept the proposal ranked highest by the proposal evaluation team, from Pinnacle Bank of Nashville, for banking services for the City for the City fiscal year beginning July 1, 2013, with three (3) options to extend for one (1) year each, not to exceed a total of four (4) years as mutually agreed by both parties. Purchasing Manager Brian Wilcox is of the opinion that the prepared solicitation documents as distributed allowed for competition among multiple financial institutions, and that the staff recommendation appears to be made in a fair and impartial manner based upon the proposals received.

Tabulation of Proposals *

Purchasing Office Solicitation No.:		2013-015 (banking services)				
Notice to Proposers published in the <i>Williamson Herald</i> on:		2/28/13				
Number of vendors that were notified of / that responded to this request for proposals:		23 / 10				
Date and time proposals due and publicly opened:		4/9/13 2:00 PM				
Present at opening of proposals:		Julia Suddath and Vickie Manning of Pinnacle Bank; Mike Lowe of the City of Franklin Finance Department; Dee Settle, Suzanne Ward and Brian Wilcox of the City of Franklin Purchasing Office				
Target meeting of BOMA at which recommendation will be considered:		5/14/13				
Proposals received from:	Proposal No.:	Description of proposal	Does the proposer take any exceptions to the City's procurement solicitation?	Average points (out of a possible 100) allocated by proposal evaluation team (utilizing selection criteria and relative weighting as listed in RFP):	Payment terms:	Proposal and associated pricing is valid through:
Bank of America, N.A. 414 Union Street Nashville, TN 37219 Tom Boyd, Senior Vice President 615 749-3618 Thomas.boyd@baml.com	1 of 2	Banking services Earnings & fees separated	Yes (use of subcontractors, liability for damages, indemnification, provision of courier services, assignment of rights, precedence of CoF Std. Procurement Ts & Cs, applicable law, choice of forum/venue, entire agreement)	85.50	net 30 days	07/09/13
	2 of 2	Earnings & fees combined		89.50		
Fifth Third Bank 424 Church Street Nashville, TN 37219 Ross Florey, VP , Relationship Manager 615 687-3140 Ross.Florey@53.com	1 of 2	Banking services Earnings & fees separated	Possibly (Proposal is conditional upon CoF acceptance of proposer's "Master Treasury Management Agreement" and proposer's "Treasury Management Services Terms & Conditions")	86.50	net 30 days	06/30/13
	2 of 2	Earnings & fees combined		85.50		
First Citizens National Bank 1304 Murfreesboro Road Franklin, TN 37064 Patti J. Butler, Regional Retail Sales Manager 615 790-0713 pbutler@firstcitizens-bank.com	1 of 1	Banking services (earnings & fees separated)	Proposer noted an exception which CoF considers acceptable	75.00	automatic debit from account	06/30/13
First State Bank 500 Corporate Centre Dr., Ste. 100 Franklin, TN 37067 Chuck Lanier, Regional President 615 224-7007 clanier@first-state.net	1 of 1	Banking services (earnings & fees separated)	Proposer takes no exceptions (Proposer requests a 90-day notice if termination is pending)	77.50	not indicated	06/30/13
First Tennessee Bank 511 Union Street, 4th Floor Nashville, TN 37219 W.A. (Pete) Stringer, Sr. VP, RM Public Institutions & Nonprofits 615 734-6516 WAStringer@ftb.com	1 of 1	Banking services (earnings & fees separated)	Proposer takes no exceptions	83.00	net 30 days	06/30/13

*Shaded proposal is the proposal scored highest by the proposal evaluation team

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Target meeting of BOMA at which recommendation will be considered:		5/14/13				
Proposals received from:	Proposal No.:	Description of proposal	Does the proposer take any exceptions to the City's procurement solicitation?	Average points (out of a possible 100) allocated by proposal evaluation team (utilizing selection criteria and relative weighting as listed in RFP):	Payment terms:	Proposal and associated pricing is valid through:
Franklin Synergy Bank 722 Columbia Avenue Franklin, TN 37064 Al Gregory, Vice President 615 656-5890 al.gregory@franklinsynergy.com	1 of 1	Banking services (earnings & fees separated)	Proposer takes no exceptions (Proposer did not acknowledge receiving Addendum No. 2, and proposal did not include CoF Std. Procurement Terms & Conditions)	88.00	net 30 days	07/31/13
Pinnacle Bank 150 3rd Avenue South Nashville, TN 37201 Vickie Manning, Senior Vice President 615 744-3793 vickie.manning@pnfp.com	1 of 1	Banking services (earnings & fees separated)	Proposer takes no exceptions	93.50	direct debit for analysis fees	06/30/13
Regions Bank 315 Deaderick Street Nashville, TN 37238 Tamara Johnston, Senior Vice President 615 770-4405 tamara.johnston@regions.com	1 of 1	Banking services (earnings & fees combined)	Proposer takes no exceptions	88.00	net 30 days	07/30/13
U.S. Bank 333 Commerce Street, 9th Floor Nashville, TN 37201 Steven A. Chapel, Vice President 615 251-0783 steven.chapel@usbank.com	1 of 3 2 of 3 3 of 3	Banking services Earnings & fees separated Earnings & fees combined Same as opt. no. 2 but excludes lockbox services	Proposer takes no exceptions Option excludes lockbox services	76.50 86.50 not evaluated	net 30 days	06/30/13
Wells Fargo Bank NA 408 Franklin Street Huntsville, AL 35801 Ellie Sternberg, Vice President 256 551-4126 Ellie.sternberg@wellsfargo.com	1 of 1	Banking services (earnings & fees combined)	Yes / 3 (arbitration, limitation of liability & indemnification) (Proposer did not acknowledge receiving Addendum No. 2)	88.00	net 30 days	06/30/13

*Shaded proposal is the proposal scored highest by the proposal evaluation team