

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON MARCH 24, 2015
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	BANKING SERVICES AND COMMERCIAL CARD AGREEMENTS – CONTRACT EXTENSION

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions **BE TAKEN** with respect to RFP02-02 Banking Services:

- a) That a recommendation **BE ACCEPTED** to extend the existing contract C07-090rv1 as per the Procurement of Goods and Services Policy, Schedule B, Section 8.iii;
- b) That approval hereby **BE GIVEN** to extend the current contract for a six (6) month period with The Bank of Nova Scotia, 420 Richmond Street, London, ON N6A 3C9, with respect to monthly banking services, cash management services and commercial card services, with additional extensions on a month-to-month basis, until the completion of the Request for Proposal process for RFP15-05;
- c) That the Civic Administration **BE AUTHORIZED** to undertake all administrative acts that are necessary in connection with this contract extension.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Banking Services Agreement, November 16, 2011, Finance and Administration Committee
Banking Services Agreement, September 14, 2011, Finance and Administration Committee
Contract for Banking Services, January 17, 2007, Board of Control

BACKGROUND

The Bank of Nova Scotia (Scotiabank) is the current vendor for banking services. Their current contract, awarded under the Request for Proposal (RFP) process in 2002, will expire April 30, 2015. Civic Administration is currently working through the RFP process for the next five year term. To ensure continuity of banking services during the RFP process, staff are requesting a six (6) month extension to October 31, 2015, with twelve (12) renewal options on a month-to-month basis for up to twelve (12) months.

Purchasing Process

RFP15-05 for Financial Banking Services, issued on January 22, 2015, requested a successful Proponent to enter into a Term of Engagement with the City of London for a five (5) year period, with an option to renew the contract for up to an additional five (5) year term.

The RFP closed on February 24, 2015. The RFP evaluation team will be reviewing and evaluating the proposals during the month of March and are targeting a recommendation of award to the successful proponent in April 2015.

If the current vendor is the successful proponent, staff would only require this extension until the new contract could be negotiated and signed. If another bank is the successful proponent, this would allow the City transition time to move the banking services to the new vendor in stages.

The approval of the contract extension is being requested under the Procurement of Goods and Services Policy, Schedule B, Section 8.iii, which relates to certain professional and special services, such as banking services, up to \$100,000.

Financial Impact

The estimated annual financial impact of \$48,000 is covered in the annual operating budget.

Acknowledgements

This report was prepared with assistance from J. Freeman, Manager of Purchasing and Supply.

PREPARED BY:	REVIEWED BY:
SHARON SWANCE MANAGER, ACCOUNTING	ANNA LISA BARBON DIRECTOR, FINANCIAL SERVICES
RECOMMENDED BY:	
MARTIN HAYWARD, MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	