



Cover Memorandum/Staff Report

File #: 19-423

Agenda Date: 4/16/2019

Item #: 6.K.

TO: Mayor and Commissioners
FROM: Laura Thezine, Acting Finance Director
THROUGH: Neal de Jesus, Interim City Manager
DATE: April 16, 2019

APPROVAL OF RESOLUTION NO. 84-19 TO CONTINUE WITH THE COMMERCIAL PURCHASING CARD PROGRAM TO CONDUCT CITY BUSINESS FOR APPROXIMATELY \$2,000,000.00 ANNUALLY AND RETROACTIVE APPROVAL OF BANK OF AMERICA UTILIZING STATE OF FLORIDA CONTRACT NO. 84121500-15-01 FOR PURCHASING CARD SERVICES IN THE AMOUNT OF \$4,077,000.00

Recommended Action:

Motion to approve Resolution No. 84-19 to award an agreement with Bank of America for commercial purchasing card services utilizing the State of Florida Contract No. 84121500-15-01 in an estimated maximum amount of \$2,000,000.00, and retroactive approval with Bank of America to continue with the commercial purchasing card program in an amount of \$4,007,000.00, and authorize the City Manager to approve renewal options, utilizing the balance of the budgeted amount in each department, contingent upon appropriation of funds.

Background:

On January 2016, Bank of America was awarded a contract for Purchasing Card Services with the State of Florida Contract No.: 84121500-15-01. The City of Delray Beach (City) has used Bank of America purchasing card services since 2001. Purchasing card programs are a commercial bank tool used to purchase goods and services. Smaller purchases made in remote locations, over-the-counter, and parts or materials necessary during the course of normal business (e.g. during construction activities), make the purchasing card a very efficient and effective method of payment. The proposed resolution authorizes the City Manager to keep the issued purchasing cards through the Bank of America State contract. The purchasing card program will continue to be managed in accordance with Administrative Policy 4.02. The Finance Department has centralized access to the corporate purchasing card program and will have the ability to administer it via a web portal. The City has maintained a purchasing card program for more than fifteen (5) years, currently with Bank of America through State of Florida contract.

In addition, approval of an agreement with Bank of America for continued purchasing card services for a not-to-exceed amount of \$2,000,000.00 annually through January 04, 2021. Should the City approve the contract, the cumulative contract value is provided below.

Estimated Contract Value		
Agreement Term:	April 16, 2019 - April 15,	\$4,000,000
Renewal Term:	April 16, 2021 - April 15,	\$10,000,000
TOTAL VALUE:		\$14,000,000

This motion is in accordance with Code of Ordinances Section 36.02 Commission Approval Required.

Attachments:

1. State of Florida Contract No. 84121500-15-01
2. Amendment 1
3. Amendment 2
4. Legal Review Checklist
5. 84-19 Resolution
6. BOA - Agreement

City Attorney Review:

Approved as to form and legal sufficiency

Funding Source/Financial Impact:

Timing of Request:

N/A