

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER TO [REJECT ALL PROPOSALS FOR RFP 17-18-05 AND {ISSUE A NEW RFP FOR BANKING SERVICES}{EXPLORE THE FEASIBILITY OF AN ALTERNATIVE DELIVERY MODEL FOR BANKING SERVICES AND REPORT BACK TO THE CITY COUNCIL PRIOR TO ISSUING A NEW RFP BASED ON A NEW MODEL ON OR BEFORE JUNE 30, 2020}] [WAIVE COUNCIL POLICY 0-44, "WAGE THEFT PREVENTION POLICY", AS APPLIED TO THE PROCUREMENT FOR AND AGREEMENTS TO PROVIDE BANKING, LOCKBOX, MERCHANT CARD, AND SECURITIES CUSTODIAL SERVICES, ISSUE A NOTICE OF INTENT TO AWARD TO JPMORGAN CHASE BANK FOR GENERAL BANKING AND LOCKBOX SERVICES AND MERCHANT CARD SERVICES, AND PROCEED WITH THE NEXT STEPS IN THE PROCUREMENT PROCESS]**

**WHEREAS**, on May 14, 2018, the City of San José ("City") released RFP 17-18-05, a competitive Request for Proposals ("RFP") seeking providers for general banking and lockbox services, merchant card processing services, securities custodial services, and bill print services; and

**WHEREAS**, the City did not receive any responsible proposals for bill print services and will issue a new RFP for those services at a later date; and

**WHEREAS**, on May 24, 2016, the City Council adopted Council Policy 0-44 entitled "Wage Theft Prevention Policy," which requires all potential proposers to disclose whether they have been found, by a court or final administrative action of an investigatory government agency, to have violated federal, state, or local wage and hour laws within the past five (5) years and disqualifies companies with more than one (1) violation in the past five (5) years; and

**WHEREAS**, the highest scoring proposers under the RFP for general banking and lockbox services, merchant card processing services, and securities custodial services, JPMorgan Chase and Wells Fargo, were found to have wage and hour judgments exceeding the threshold of Council Policy 0-44, and Wells Fargo was found to have failed to disclose a material fact during the evaluation process under Resolution 77135, “Procurement and Contract Process Integrity and Conflict of Interest”, Section 7, by not disclosing its wage and hour judgments; and

[IF EXPLORING ALTERNATIVE DELIVERY MODELS OR WAIVING COUNCIL POLICY 0-44 **WHEREAS**, qualified proposers for this RFP are largely from the banking industry, where wage theft is a challenge and a well-publicized issue, and it is unlikely that the City will find a bank with the institutional resources needed to provide the level of banking services required by the City without similar levels of wage theft challenges; and]

**WHEREAS**, the City Council desires to authorize the City Manager to [reject all proposals and {issue a new RFP for banking services}{explore the feasibility of an alternative delivery model for banking services and report back to the City Council prior to issuing a new RFP based on a new model on or before June 30, 2020}] [waive Council Policy 0-44 as applied to the procurement for and agreements to provide banking, lockbox, merchant card, and securities custodial services, issue a Notice of Intent to award to JPMorgan Chase for general banking and lockbox services and merchant card services, and proceed with the next steps in the procurement process];

**NOW, THEREFORE,** BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The City Manager is hereby authorized to [reject all proposals for RFP 17-18-05 and {issue a new RFP for banking services}{explore the feasibility of an alternative delivery model for banking services and report back to the City Council prior to issuing a new RFP based on a new model on or before June 30, 2020}] [waive Council Policy 0-44, "Wage Theft Prevention Policy", as applied to the procurement for and agreements to provide banking, lockbox, merchant card, and securities custodial services, issue a Notice of Intent to Award to JPMorgan Chase Bank for general banking and lockbox services and merchant card services, and proceed with the next steps in the procurement process].

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2019, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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SAM LICCARDO  
Mayor

ATTEST:

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TONI J. TABER, CMC  
City Clerk