



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Russell Watts, Treasurer-Tax Collector  
Date: September 10, 2019

Subject: Contract with Wells Fargo Bank for General Banking and Lockbox Services

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the County Treasurer to extend the existing agreement with Wells Fargo Bank, N.A. ("Wells Fargo"), with an amended new fee schedules, for another five years for general banking and lockbox services, with a total payment limit of \$1,400,000 for the entire term of the agreement.

**FISCAL IMPACT:**

Service fees and costs will be paid from the interest earned on the daily cash balance with Wells Fargo, monies deposited with Wells Cap Management, and/or on the monies deposited in the Treasury Pool, specifically, General County Revenue Fund.

**BACKGROUND:**

The County Treasurer manages the funds of the County, as well as various districts and agencies throughout the County, including 21 special districts, 19 school districts and one community college district. In July 2015, upon completion of an extensive Request for Proposal ("RFP") search, the County Treasurer selected, approved by the Board of Supervisors, Wells Fargo to provide general banking and lockbox services for the County. As a result, the County Treasurer entered into a 5-year agreement with Wells Fargo.

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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **09/10/2019** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: Candace Andersen, District II  
Supervisor  
Diane Burgis, District III  
Supervisor  
Karen Mitchoff, District IV  
Supervisor  
Federal D. Glover, District V  
Supervisor

ABSENT: John Gioia, District I  
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 10, 2019

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Laura Cassell, Deputy

Contact: Brice Bins, (925)  
957-2848

cc:



### BACKGROUND: (CONT'D)

In the past 5 years, Wells Fargo has been providing the financial services to the County in accordance with the agreement. Upon expiration of the existing agreement and after lengthy rounds of discussions with Wells Fargo, the County Treasurer was able to further reduce the existing service fees by additional 10-15% annually. With no other terms of the existing agreement being changed than the reduced fee schedules, Wells Fargo will continue to provide general banking services, including, but not limited to, deposit services, automated clearing house, positive pay, online banking, sweep account, and information reporting, pursuant to the extended agreement between Wells Fargo and the County. Wells Fargo will also provide lockbox services, including, but not limited to, lockbox imaging under the extended agreement.

The cost of these services will be paid by the interest earned on the daily cash balance Wells Fargo, the monies deposited with Wells Cap Management, and/or on the monies deposited in the Treasury Pool, specifically, General County Revenue Fund. Under the agreement, each party is required to indemnify the other for its errors and omissions. The County Counsel has reviewed and approved the amendment, specifically, the reduced fee schedules, to the existing agreement with Wells Fargo.

### CONSEQUENCE OF NEGATIVE ACTION:

If the agreement is not authorized, the Treasurer will lack an agreement with Wells Fargo to administer the County's extensive banking operations and severely jeopardize security and safekeeping of County monies. The County will not be able to benefit from the further reduced fee schedule.