



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

**1. Agenda Item Number:**

**17**

**2. Council Meeting Date:**  
January 31, 2008

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** January 14, 2008

**THROUGH: CITY MANAGER**

**4. Requesting Department:** Management Services

**5. SUBJECT:** Extend Agreement between the City of Chandler and Bank of America for Procurement Card Services for a one-year period.

**6. RECOMMENDATION:** Recommend extension of Agreement between the City of Chandler and Bank of America for Procurement Card Services for a one-year period.

**7. HISTORICAL BACKGROUND/DISCUSSION:** Procurement cards are presently issued from Bank of America through a City Contract No. MS5-946-2124. There are currently approximately 590 cards throughout the City and the annual volume spent through this program is approximately \$2.5 million.

**8. EVALUATION PROCESS:** In December 2004, City Council approved the use of Procurement Card Services through Bank of America. The selection process was conducted in accordance with established City policies and procedures. The evaluation committee was formed to evaluate the proposals received using the evaluation criteria listed in the RFP. The evaluation committee recommended award of an agreement to Bank of America due to the services offered, their experience and no cost for their program. The program with Bank of America allows for easier and better reporting, on-line review and approval of transactions, automated interface with the City's General Ledger, additional functionality and enhanced rebate opportunities. Our rebate for the 2006-year was \$15,849.38. Prior to using the current program with Bank of America, our average rebate was \$2,500 per year based on our annual volume. Currently, seven public entities utilize our Contract and this helps increase the City's rebate.

**9. FINANCIAL IMPLICATIONS:** None

**10. PROPOSED MOTION:** Move to extend use of Contract No. MS5-946-2124 between the City of Chandler and Bank of America for Procurement Card Services for a one-year contract and authorize the Mayor to sign the Amendment.

**APPROVALS**

**11. Requesting Department**

*Robert Combs*

Robert Combs, CPPB, Purchasing & Materials Manager

**12. Department Head**

*Dennis Strachota*

Dennis Strachota

**13. Procurement Officer**

*Sharon Brause*

Sharon Brause, CPPB

**14. City Manager**

*W. Mark Pentz*

W. Mark Pentz