



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

1. Agenda Item Number:

18

2. Council Meeting Date:  
August 13, 2009

TO: MAYOR & COUNCIL

3. Date Prepared: July 2, 2009

THROUGH: CITY MANAGER

4. Requesting Department: Management Svs.

5. **SUBJECT:** Extend agreement MS6-946-2174 for banking services to JP Morgan Chase, for a one-year period.

6. **RECOMMENDATION:** Request the extension of agreement MS6-946-2174 for banking services to JP Morgan Chase, for a one-year period.

7. **HISTORICAL BACKGROUND/DISCUSSION:** The City's banking needs consist of the following types of services; checking account maintenance, deposits, armored car service, electronic payments and deposits (ACH), wire transfers, credit card payment processing, and on-line bank balance reporting.

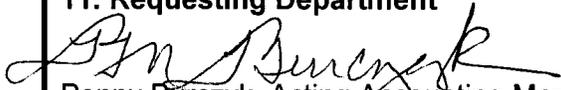
8. **EVALUATION PROCESS:** In September 2005, a three-year Agreement was awarded to JP Morgan Chase for banking services. The agreement included two optional one-year extensions. The Agreement expires September 30, 2009. Staff is satisfied with the service provided by JP Morgan Chase and is requesting a one year extension.

9. **FINANCIAL IMPLICATIONS:** The bank compensation is received on a compensating balance basis, i.e., the earnings from City bank balances offset the cost of services provided.

10. **PROPOSED MOTION:** Move to extend agreement MS6-946-2174 for banking services to JP Morgan Chase, for a one-year period.

**APPROVALS**

11. Requesting Department

  
Penny Burczyk, Acting Accounting Manager

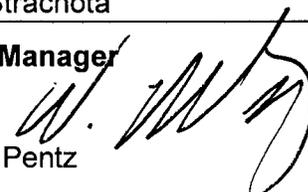
12. Department Head

  
Dennis Strachota

13. Procurement Officer

  
Kristy Garcia, CPPB

14. City Manager

  
W. Mark Pentz

AMENDMENT NUMBER THREE  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER, JP MORGAN CHASE  
AND  
FIRST DATA, FORMERLY PAYMENTECH, LLC  
FOR BANKING SERVICES  
AGREEMENT NO. NO. MS6-946-2174 and  
SELECT MERCHANT PAYMENT CARD PROCESSING AGREEMENT

This Amendment # 3 to (i) that certain Banking Agreement Between the City Of Chandler ("CITY") and JP Morgan Chase ("CONTRACTOR") and (ii) that certain Select Merchant Payment Card Processing Agreement between CITY and First Data (formerly) Paymentech, LLC (as successor in interest to Paymentech, L.P.; "PAYMENTECH") for Banking Services dated September 29, 2005 and Amended on September 14, 2006 is entered into this 1st day of October, 2009.

WHEREAS, on September 29, 2005 the City awarded a contract to CONTRACTOR for the services of Banking Services for an initial three (3) year period with provisions to renew for up to two (2) additional successive terms of one year each.

NOW THEREFORE, the parties agree as follows:

1. Section 10.1, Term of the AGREEMENT is hereby amended to extend the AGREEMENT for a one-year period, October 1, 2009 through September 30, 2010.
2. Attached "Contractor Immigration Warranty" documents shall be incorporated as Exhibit A. **Section 18, Compliance with Applicable Laws** of Agreement is added with the following language,
  - 18.1. Pursuant to the provisions of A.R.S. § 41-4401, the Contractor hereby warrants to the City that the Contractor and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").
  - 18.2. A breach of the Contractor Immigration Warranty (Exhibit A) shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.
  - 18.3. The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. The Contractor agrees to assist the City in the conduct of any such inspections.
  - 18.4. The City may, at its sole discretion, conduct random verifications of the employment records of the Contractor and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The Contractor agrees to assist the City in performing any such random verifications.

- 18.5. The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.
- 18.6. In accordance with A.R.S. §35-393.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Iran.
- 18.7. In accordance with A.R.S. §35-391.06 the Contractor hereby certifies that the offeror does not have scrutinized business operations in Sudan.
- 3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

CITY OF CHANDLER:

By: \_\_\_\_\_  
Mayor /designee

CONTRACTOR:

By: Catherine Hedger  
Title: Relationship Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney 

ATTEST: (If corporation)

ATTEST:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
City Clerk

WITNESS: (If individual or Partnership)

\_\_\_\_\_  
[SEAL]

**EXHIBIT A**

**Contractor Immigration Warranty  
To Be Completed by Contractor Prior to Execution of Contract**

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

By completing and signing this form the contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

<b>Contract Number: MS6-946-2174 Banking Services</b>		
<b>Name (as listed in the contract): First Data</b>		
<b>Street Name and Number: 270 Park Ave.</b>		
<b>City: New York</b>	<b>State: NY</b>	<b>Zip Code: 10017</b>

I hereby attest that:

1. The contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

**Signature of Contractor (Employer) or Authorized Designee:**

Catherine Hudson

**Printed Name:** Catherine Hudson

**Title:** Relationship Manager

**Date (month/day/year):** 7-10-09

AMENDMENT NUMBER THREE  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER  
AND  
JP MORGAN CHASE  
FOR BANKING SERVICES  
AGREEMENT NO. MS6-946-2174

This Amendment #3 to that certain Agreement Between the City Of Chandler (CITY) and JP Morgan Chase (CONTRACTOR) for Banking Services dated September 29, 2005, and is entered into this 1st day of October, 2009.

WHEREAS, on September 29, 2005 the City awarded a contract to CONTRACTOR for the services of Banking Services for an initial three (3) year period with provisions to renew for up to two (2) additional successive terms of one year each.

NOW THEREFORE, the parties agree as follows:

1. Section 39, Term of the AGREEMENT is hereby amended to extend the AGREEMENT for a one-year period, October 1, 2009 through September 30, 2010.
2. Attached "Contractor Immigration Warranty" documents shall be incorporated as Exhibit A. **Section 41, Compliance with Applicable Laws** of Agreement is added with the following language,
  - 41.1. Pursuant to the provisions of A.R.S. § 41-4401, the Contractor hereby warrants to the City that the Contractor and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").
  - 41.2. A breach of the Contractor Immigration Warranty (Exhibit A) shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.
  - 41.3. The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. The Contractor agrees to assist the City in the conduct of any such inspections.
  - 41.4. The City may, at its sole discretion, conduct random verifications of the employment records of the Contractor and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The Contractor agrees to assist the City in performing any such random verifications.
  - 41.5. The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include

construction or maintenance of any structure, building or transportation facility or improvement to real property.

- 41.6. In accordance with A.R.S. §35-393.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Iran.
- 41.7. In accordance with A.R.S. §35-391.06 the Contractor hereby certifies that the offeror does not have scrutinized business operations in Sudan.
- 3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

CITY OF CHANDLER:

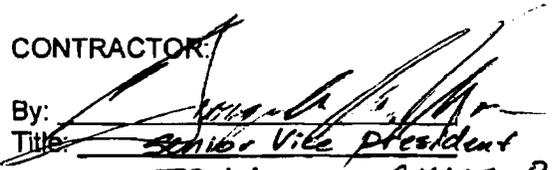
By: \_\_\_\_\_  
Mayor /designee

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney 

ATTEST:  
\_\_\_\_\_  
City Clerk

CONTRACTOR:

By:   
Title: Senior Vice President  
JP MORGAN CHASE BANK

ATTEST: (If corporation)

( see attachment )  
Secretary

WITNESS: (If individual or Partnership)

\_\_\_\_\_

[SEAL]

**EXHIBIT A**

**Contractor Immigration Warranty  
To Be Completed by Contractor Prior to Execution of Contract**

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

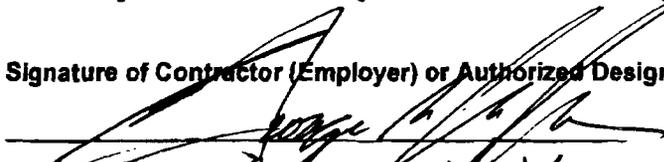
By completing and signing this form the contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

<b>Contract Number: MS6-946-2174 Banking Services</b>		
<b>Name (as listed in the contract): JP Morgan Chase</b>		
<b>Street Name and Number: 270 Park Ave.</b>		
<b>City: New York</b>	<b>State: NY</b>	<b>Zip Code: 10017</b>

I hereby attest that:

1. The contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

**Signature of Contractor (Employer) or Authorized Designee:**



Printed Name: GEORGE W. McMANUS

Title: SENIOR VICE PRESIDENT

Date (month/day/year): 07/17/2009

# JPMORGAN CHASE & CO.

## SECRETARY'S CERTIFICATE

I, Christine N. Bannerman, do hereby certify that I am a duly elected and qualified Vice President and Assistant Secretary of JPMorgan Chase Bank, National Association, a national banking association duly organized and existing under the laws of the United States of America (the "Bank") and that set forth below is a true and correct copy of resolutions duly adopted by the directors of the Bank pursuant to a unanimous written consent dated January 17, 2007. I further certify that said resolutions, at the date hereof, are still in full force and effect.

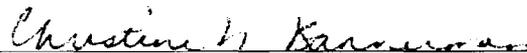
RESOLVED that loan agreements, contracts, indentures, mortgages, deeds, releases, conveyances, assignments, transfers, certificates, certifications, declarations, leases, discharges, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, guarantees, proxies, requisitions, demands, proofs of debt, claims, records, notes signifying indebtedness of JPMorgan Chase Bank, N.A. (the "Bank"), and any other contracts, instruments or documents in connection with the conduct of the business of the Bank, whether or not specified in the resolutions of the Bank's Board of Directors (the "Board") may be signed, executed, acknowledged, verified, delivered or accepted on behalf of the Bank by the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, a Vice Chairman of the Board, a Vice Chairman, any member of the Operating Committee or Executive Committee, any Executive Vice President, the Chief Financial Officer, the Treasurer, the Controller, the Chief Risk Officer, the Secretary, any Senior Vice President, any Managing Director, any Vice President, or any other officer who the Secretary or any Assistant Secretary certifies as having a functional title or official status which is equivalent to any of the foregoing, and the seal of the Bank may be affixed to any thereof and attested by the Secretary, any Vice President or any Assistant Secretary; *provided, however*, that any guarantees, comfort letters or other letters of support issued by the Bank in respect of obligations of any of the Bank's affiliates or subsidiaries ("Support Documents") may be executed only where consistent with such resolutions of the Board dated the date hereof, as may be amended, relating to the provision of Bank guarantees and other support issued by the Bank in respect of obligations of its subsidiaries and affiliates;

RESOLVED that powers of attorney may be executed on behalf of the Bank by the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, a Vice Chairman of the Board, a Vice Chairman, any member of the Operating Committee or Executive Committee, any Executive Vice President, the Chief Financial Officer, the Treasurer, the Controller, the Chief Risk Officer, the Secretary, any Senior Vice President, and by any Managing Director having a rank equivalent to Senior Vice President; *provided, however*, that such powers of attorney may not provide authority for signing Support Documents except as where consistent with such resolutions of the Board dated the date hereof, as may be amended, relating to the provision of Bank guarantees and other support issued by the Bank in respect of obligations of its subsidiaries and affiliates.

I further certify that George W. McManus has a title which is the functional equivalent of a Vice President of JPMorgan Chase Bank, National Association with specimen signature as follows and is empowered to act in conformity with the above resolutions.



WITNESS my hand and the seal of JPMorgan Chase Bank, National Association, as of the 23rd day of March 2009.

  
Christine N. Bannerman