



Executive Summary

To: Jim Scholl, City Manager

From: Nancy Kielman, Finance Director

CC: Sarah Spurlock, Assistant City Manger
Greg Veliz, Assistant City Manager

Date: June 22, 2015

RE: One Year Extension of Banking Services Contract with First State Bank

Action:

This is a request to exercise the first one year extension option between the City of Key West and First State Bank of the Florida Keys for the purpose of providing banking services to the City of Key West.

Background:

The City of Key West entered into a contract for banking services with First State Bank of the Florida Keys on August 1, 2012 for a term of three years. The contract also included an additional option to renew with two one-year extensions upon the same terms and conditions as contained in the initial term. Resolution No. 12-194 authorized the City Manager to negotiate a contract with First State Bank for banking services.

Advantages/Disadvantages:

Advantages:

1. First State Bank is already knowledgeable of the City and its banking activities.
2. Exercising the option will result in no loss of staff time or cost of going out to bid.

Disadvantages:

1. No competitive bid process.

Options:

1. The Commission can approve the extension of the contract as recommended by Staff.

2. The Commission can disapprove the extension of the contract and direct staff to go out to bid for banking services.

Financial Impact:

Current contract remains in place no change in the financial impact.

Recommendation:

Staff supports exercising the one year contract extension for banking services with First State Bank of the Florida Keys. First State Bank has consistently provided outstanding customer service to the City of Key West.

Attachments:

Resolution 12-194

Contract