



DATE: June 16, 2026

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT Adopt a Resolution Authorizing the City Manager to Execute an Amendment (or Amendments) to the Agreement with JP Morgan Chase, N.A. for Banking and Cash Management Services Extending the Term for Up to an Additional Three Years

RECOMMENDATION

That the City Council adopts a resolution (Attachment II) authorizing the City Manager to execute an amendment (or amendments) to the agreement with JP Morgan Chase, N.A. (Chase) for banking and cash management services extending the term for up to an additional three years. The agreement would be effective from July 1, 2026, through June 30, 2029.

SUMMARY

In January 2018, after a request for proposal (RFP) process, Council authorized the City Manager to execute an agreement with Chase for banking and cash management services. That agreement included a five-year term with an option to continue banking and cash management services for an additional three years. In June 2023, the Council authorized the City Manager to execute an amendment to extend the term for three additional years ending on June 30, 2026. Staff is requesting Council authorize the City Manager to execute an amendment (or amendments) to extend in the term for up to three additional years for Chase to provide banking and cash management services.

BACKGROUND AND DISCUSSION

In January 2017, the City issued an RFP for banking and cash management services for a term of five years, with an option to amend the contract for an additional three-year term. The City received responses from five financial institutions; each institution was considered qualified based on their responses. In January 2018, JP Morgan Chase, N.A. was selected to provide banking and cash management services. The original contract with JP Morgan Chase, N.A. included a five-year term to provide banking and cash management services and included an option to amend the agreement for an additional three years. In June 2023, the Council authorized the City Manager to execute an amendment to extend the term for three additional years ending on June 30, 2026.

At this time, staff does not recommend issuing a new RFP or changing banking service providers while the City focuses on higher priority items such as the City's significant budget deficit and stabilization after leadership turnover. The City's primary operating accounts, including payments for payroll, are held at Chase. Staff have been satisfied with the services provided by Chase and recognizes the high level of services provided by Chase during the cyber incident in 2023.

Staff anticipate issuing an RFP in the next eighteen months and also anticipate some overlap between an existing provider and potential new provider of banking services. Therefore, staff recommends that the City Manager is authorized to execute an amendment or amendments to the agreement with Chase to extend the agreement for banking and cash management for up to three additional years through June 30, 2029. This term may be within a single amendment or broken into separate amendments to address the unknown portion of the timeline. This will provide sufficient time to issue and evaluate responses to an RFP and take actions necessary to transition providers if an alternate vendor is selected.

STRATEGIC ROADMAP

This agenda item is a routine operational item.

FISCAL IMPACT

There is sufficient funding in the adopted budget to cover the amendment with JP Morgan Chase, N.A. for the next fiscal year. Funds for future years will be incorporated into the proposed budgets for the applicable year. The cost for banking and cash management services is estimated at \$33,000 annually and determined based on historical banking service activity levels and reduced by interest earnings on bank account balances.

NEXT STEPS

If Council approves the amendment, staff will prepare the contract amendment for execution.

Prepared & Recommended by: DeAnna Hilbrants, Director of Finance

Approved by:



Jennifer Ott, City Manager