

PORT OF TACOMA
MEMORANDUM

COMMISSIONERS

Staff Briefing

DATE: May 29, 2018
TO: Port of Tacoma Commissioners
FROM: David Morrison, Director, Financial Planning and Treasury
SUBJECT: PSA 069496 Banking Services
Amendment 03-Increase funding

A. BRIEFING

Staff intends to execute an amendment increasing the funding with Bank of America by \$150,000.00. The amended contract will be above 50% of the original contract amount of \$90,000.00. Per Master Policy Resolution 2018-01-PT, Section IV.E.2, when an amendment to a contract, individually or cumulatively, will exceed fifty percent (50%) of the original authorized amount for the agreement or will exceed \$300,000, the amendment must be filed with the commission and made available for public inspection prior to the proposed started date of services under the amendments.

B. BACKGROUND

An Agreement was executed between the Port of Tacoma and Bank of America in October 2012. Payment for services for the Northwest Seaport Alliance were added in April of 2016.

The Bank of America provides the following banking services:

- A General Account for incoming/outgoing wires and ACH transactions. The bank will transfer all other account balances to this account at the end of each day.
- Payroll Account which is a disbursement account with ACH filters/blocks so that only ADP can disburse funds.
- Workers Compensation Account which is a disbursement account. A third party manages our Workers Comp activity and writes checks from this account.
- Accounts Payable Account for general Port disbursements by check.
- Accounts Receivable Account for all deposits not deposited into the General Account. Currently the Port uses Remote Deposit for checks.

For year 2018 to date, monthly costs average \$3,330 which includes a POT average of \$1,746 and a NWSA average of \$1,584.

C. JUSTIFICATION

Resolution 2007-08 was adopted by a majority of the members of the Port of Tacoma commission on October 17, 2007, designating the Bank of America as the public depository for the Port.

D. CURRENT STATUS

The Port intends to issue an Amendment to Personal Services Agreement #069496 increasing funding for banking services with Bank of America.