



Eugene City Council

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EUGENE CITY COUNCIL AGENDA

February 21, 2018

12:00 p.m. CITY COUNCIL WORK SESSION
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401

Meeting of February 21, 2018;
Her Honor Mayor Lucy Vinis Presiding

Councilors

Mike Clark, President
Greg Evans
Emily Semple
Jennifer Yeh

Betty Taylor, Vice President
Chris Pryor
Claire Syrett
Alan Zelenka

12:00 p.m. CITY COUNCIL WORK SESSION
Harris Hall, 125 East 8th Avenue

A. WORK SESSION: Divestment

B. WORK SESSION: Ambulance System Update

Adjourn.

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EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: Divestment

Meeting Date: February 21, 2018
Department: Central Services
www.eugene-or.gov

Agenda Item Number: A
Staff Contact: Twylla Miller
Contact Telephone Number: 541-682-8417

ISSUE STATEMENT

This work session is to provide the City Council with information regarding the upcoming request for proposals for banking services and how divestment considerations will be incorporated into the process.

BACKGROUND

With an annual organizational budget of \$677 million, the City of Eugene utilizes a broad array of financial services including payment processing, payroll, depository services, wire transfers and electronic payments, coin/currency services and credit card processing. Additionally, as the steward of taxpayer resources, the City must adhere to Oregon State Statutes that set forth the requirements for the handling of public funds that differ significantly from private sector practice.

To address both the regulatory requirements and the size and complexity of the City's financial operations, the City has contracted with US Bank. The current bank has dedicated government banking staff and the level of expertise and capacity to fully serve our operational needs. The current contract with US Bank for depository and merchant services will expire on October 31, 2018. With recent calls for divestment from US Bank due to their participation in the Dakota Access pipeline (DAPL) and other fossil fuel infrastructure financing, it has been suggested that the City partner with a local bank or credit union (community banks) for these services. It may be difficult to find a community bank that is capable of providing the full range of financial services needed by the City in a way that can provide the depth and breadth of services required for the City, and meet the regulatory requirements for the proper fiscal stewardship of public funds. While the City currently places funds with community banks through placement of Certificate of Deposits, there has been limited opportunities to more fully develop community banking relationships given the structure of our current depository banking relationship.

Staff have heard the concerns of the community and City Council around the issue of divestment from financial institutions involved in fossil fuel infrastructure and financing. Staff have also spoken with several local financial institutions about their service levels and capabilities. In response, staff has developed a different approach to our banking services request for proposal (RFP) process.

The City chooses its banking partners through a competitive RFP process where financial institutions are evaluated on a number of dimensions with particular emphasis on the ability to provide a wide range of sophisticated services and meet the regulatory restrictions required of a public entity. In the past, the City has awarded one contract for banking services for both depository and merchant services. In order to achieve a broader array of community goals, staff will move forward with a new approach to the banking services RFP this spring. This approach will further develop and expand our relationships with community banks, ensure that the service needs of the City are met, and address community goals while maintaining financial stewardship of public funds. The RFP will be structured to solicit responses for three different categories of financial services instead of an RFP seeking for one financial institution to provide the entire range of services. The RFP will include the following modules:

- Community Banking Services
- Depository Banking Services
- Merchant Services (Credit Card Processing)

This strategy will allow the City to better meet its financial and service needs while building stronger relationships and providing community banks with an opportunity to develop experience serving a larger municipal entity.

Community Banking Services

The City will conduct the RFP to select a local bank or credit union to provide community banking services. The community banking relationship would include certain departmental checking accounts, branch services (such as armored car deposits from City locations and cashing petty cash checks), and coin and currency services. The City would also hold up to \$10 million of funds with the community bank for cash flow purposes. In terms of minimum qualifications, to be considered for this role a bank or credit union would need to be registered as a qualified Oregon depository, have bank branches in Eugene and demonstrate that they have not participated in financing of fossil fuel infrastructure projects such as DAPL.

Depository Banking Services

For this module, the City would structure the RFP to identify a banking partner that meets a higher level of qualifications including dedicated government banking staff, experience providing a broad array of governmental banking services, and sufficient in-house resources to handle an organization the size of the City of Eugene. This banking relationship would include maintenance of the City's main account, payroll account, accounts payable account as well as sophisticated online banking capabilities and wire and electronic payment services. The City would expect to keep from \$2 to \$5 million in the main account of the selected depository bank for cash flow purposes.

Minimum qualifications for depository banking services candidates would include being a qualified Oregon depository, having a dedicated government service team with at least five years of experience in providing governmental banking services, demonstrating adequate asset size and capitalization levels, and ability to provide all core banking services directly to the City of Eugene without subcontracting to third parties.

Merchant Services

Any qualified bank or third party processor will be eligible to bid on the merchant services portion of the upcoming RFP. Minimum qualifications for the merchant services component would include meeting the statutory requirements for public funds processing and experience providing credit card processing with the ability to provide core merchant services directly, without subcontracting.

RFP Evaluation Process

For the community banking module, only those financial institutions that do not have involvement in funding fossil fuel infrastructure would be eligible to submit a proposal as part of the minimum qualifications. Final selection of the community banking partner would be determined by an evaluation of service offerings, price and accessibility of branches to city locations.

For the depository and merchant services modules, a different process would be utilized. In the first round of evaluation, proposals would be scored on components such as services provided, price, experience, and the ability to provide services directly, without subcontracting. From this initial scoring, the top candidates moving forward in the process would then be asked to provide a response to a questionnaire on the involvement of their institution in fossil fuel infrastructure financing. The responses to the questionnaire would be evaluated to rank the finalists on their level of involvement in fossil fuel infrastructure financing. The financial institution with the lowest level of involvement in fossil fuel financing would be selected to be the City's banking partner. This approach ensures a financial institution is selected that can meet the service needs of the City while considering the impact of their involvement in fossil fuel funding and infrastructure as a key component of the selection process.

RELATED CITY POLICIES

Internal Climate Action Plan

A plan to reduce reliance on fossil fuel in City's internal operations.

Investment Policy

Prohibits direct investment in fossil fuel companies.

Climate Recovery Ordinance

Climate-recovery-oriented action goals and targets to achieve carbon neutral status for City's operations by 2020 through reduction of fossil fuel utilization and greenhouse gas emissions.

Community Climate and Energy Action Plan

An action plan to achieve a 50 percent reduction in community-wide fossil fuel consumption by 2030. It includes goals for reducing emissions and fossil fuel consumption in addition to supporting the development of fossil-free renewable energy systems.

Sustainable Development

A community that meets its present environmental, economic and social needs without compromising the ability of future generations to meet their own needs.

COUNCIL OPTIONS

This is an opportunity for Council to receive information on the City's banking requirements and the upcoming RFP in relation to divestment considerations. Action is not required at this time.

CITY MANAGER'S RECOMMENDATION

No Council action or motions are suggested.

SUGGESTED MOTION

No motion is provided.

ATTACHMENTS

None

FOR MORE INFORMATION

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EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: Ambulance System Update

Meeting Date: February 21, 2018
Department: Eugene Springfield Fire Department
www.eugene-or.gov

Agenda Item Number: B
Staff Contact: Joe Zaludek
Contact Telephone Number: 541-682-7115

ISSUE STATEMENT

The purpose of this work session is to provide the City Council with an update to the Basic Life Support System. In an effort to align medical transport resources with need, Eugene Springfield Fire implemented a Basic Life Support System in October 2016. The BLSS offers peak level staffing of ambulances for basic life support transport allowing the system to retain the Advanced Life Support ambulances for the most critical calls including response to chest pain, trauma, sepsis, resuscitation and strokes.

BACKGROUND

In October 2016, Eugene Springfield Fire implemented a Basic Life Support System that included adding two 12-hour BLSS ambulances and reducing one advanced life support peak activity ambulance. The initial BLSS ambulances were deployed on a peak hour status based on need.

In the FY18 budget, a third and fourth 12-hour BLSS ambulance was funded with one-time funding as a revenue-backed add to the proposed budget. This one-time add included funding to cover personnel, materials and supplies, and fleet. During Budget Committee discussions, the Department committed to providing a follow-up to this program in 3rd quarter of FY18.

PROGRAM GOALS

The program has six identified goals:

- Reduce ambulance response times
- Increase response reliability
- Increase availability of Advanced Life Support ambulances for most critical emergencies
- Reduce time at the scene
- Reduced time to definitive care
- Balance workload of first responders

Data to date shows the program meeting these goals. Response times to critical care calls for service have reduced 14% and times on scene have decreased 17%. Response reliability, the probability your neighborhood ambulance will be the first to respond, has increased 5.7%.

RELATED CITY POLICIES

City Council goals:

- Safe Community
- Effective, Accountable Municipal Government

COUNCIL OPTIONS

No Council action or recommendations are suggested at this time. Council may choose to direct staff to bring back additional information on specific areas or components of the ambulance service system.

CITY MANAGER'S RECOMMENDATION

None. This item is informational only.

SUGGESTED MOTION

No Council action or motions are suggested. This item is informational only.

ATTACHMENTS

None.

FOR MORE INFORMATION

Staff Contact: Joe Zaludek, Fire Chief

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