



**ENTERPRISE BANKING SERVICES CONTRACT
APPENDIX 5
PARTICIPATION AGREEMENT FOR WISCONSIN LOCAL GOVERNMENTS**

This instrument, (the "Participation Agreement"), is between **U.S. Bank National Association**, ("the Contractor") and **MILWAUKEE COUNTY** ("Participant")

For good and valuable consideration, receipt of which is hereby acknowledged, both parties agree as follows:


1. The terms and conditions of the Enterprise Banking Services Contract ("Master Agreement") shall be incorporated herein by this reference as if fully set forth herein.
2. All terms used herein shall have the same meaning as in the Master Agreement, unless specified to the contrary.
3. For purposes of this Participation Agreement, the terms "you" and "your" under the Master Agreement shall mean the Participant.
4. Participant represents that Participant has received all the necessary approvals to enter into this Participation Agreement and the undersigned represents that he or she is legally authorized to execute this Participation Agreement on behalf of the Participant.
5. Participant hereby agrees to pay its allocated share of the fees as set forth in the Fee Schedule in the Master Agreement, as determined by the Contractor.
6. The Participation Agreement shall commence on the effective date set forth below and continue until June 30, 2014.
7. All terms and conditions of the Master Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Participation Agreement to be executed effective as of May 1, 2009.

Local Government of: Milwaukee County	U.S. Bank N.A.
Signature: 	Signature: 
(Type Name): Daniel J. Diliberti	(Type Name): Teresa McBride
Title: Milwaukee County Treasurer	Title: Vice President
Agency/Local Government Name: Milwaukee County	
Date: May 13, 2009	Date: May 13, 2009



Daniel J. Diliberti
Milwaukee County Treasurer

DATE: March 16, 2009
To: Lee Holloway, Chairman, Milwaukee County board of Supervisors
FROM: Daniel J. Diliberti, Treasurer 
Subject: Addendum to Banking Contract to modify merchant service fees

The attached item is being sent to your office in order to request referral of this matter to the Finance and Audit Committee for consideration at their April 16, 2009 meeting.

This communication is being forwarded in order to (1) authorize the execution of an addendum to the existing Banking Services Contract for the final two-years of the current five-year contracts - until June 1, 2009; and (2) implement the addendum, which would reduce the merchant service fees in that contract.

The current US Bank contract contains provisions for merchant services (credit card usage) that were submitted four years ago. Better rates are now available through the State US Bank contract which contains provisions that make these state merchant services rates available to all local government units in Wisconsin.

The resolution recommends that the County Treasurer execute a contract addendum with US Bank to enact the State of Wisconsin US Bank contract merchant services terms for credit and debit cards (debit, credit, VISA, MasterCard, Discover, etc.) for the remaining term of the Milwaukee County contract - until June 1, 2011 - subject to the approval of the Corporation Counsel and the Office of Community Business Development Partners. This action will institute lower fees (estimated at 0.40 basis points or more) for merchant service transactions for all affected county departments. Given the current estimated payment volumes, this will result in an overall County savings in fee payments of approximately \$10,000 per year.

A RESOLUTION

authorizing the institution of merchant services with US Bank under the favorable terms and conditions of the State banking contract with US Bank by recommending adoption of the following:

WHEREAS, the County Board file No.05-438 authorized the Request for Proposal (RFP) process to receive bids for Milwaukee County's banking services; and,

WHEREAS, in December 2005 an extensive RFP process was undertaken to attract proposals for banking services for Milwaukee County, resulting in a total of five proposals being submitted for the banking deposit services and five proposals for the banking disbursement services.

WHEREAS, the proposals were reviewed by an independent review committee composed of finance personnel from four different county departments outside of the Treasurer's Office. As a result of this RFP process, Milwaukee County awarded its contract for deposit and disbursement banking services to US Bank; and

WHEREAS, the recipient of the contract, US Bank, had the highest CRA (Community Reinvestment Act) rating. US Bank also has in place a supplier diversity program and a strategic sourcing effort to include MBE\DBE firms. US Bank also makes considerable community contributions in the areas of affordable housing, economic opportunity and public service; and

WHEREAS, the current US Bank contract contains provisions for merchant services (credit card usage) that were submitted four years ago and better rates are now available through the State US Bank contract which contains provisions that make these merchant services rates available to all local government units in Wisconsin; and

WHEREAS, the County Treasurer recommends enactment of the State of Wisconsin merchant services pricing program for Milwaukee County - which will result in considerably lower fees for the County for its transactions (estimated at 0.40 basis points or more). This will provide the County with a savings of approximately \$10,000 per year in fees, given the estimated payment volumes; now, therefore,

BE IT RESOLVED, that the Milwaukee County Treasurer is hereby authorized to execute a contract addendum with US Bank to enact the State of Wisconsin Contract merchant services terms for merchant services (debit, credit, VISA, MasterCard, Discover, etc. card use) for the remaining term of the Milwaukee County contract - until June 1, 2011 - subject to the approval of the Corporation Counsel and the Office of Community Business Development Partners.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 03-16-09

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Merchant Services Addendum to Banking Services Contract

FISCAL EFFECT:

- | | |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input checked="" type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
|---|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	(10,000)	-10,000
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The County Board F file No.05-438 authorized the Request for Proposal (RFP) process to solicit proposals for banking services. The resultant five-year contract with US BANK for deposit and disbursement banking services was approved by the County Board and commenced on April 1, 2006. It contained provisions for US Bank provision of merchant services (credit and debit card use and fees).

This resolution would modify the provisions for merchant services within the existing County banking services contract for approximately two more years, until June 1, 2011. The modification would override various terms of the Milwaukee County contract by enacting the provision of the State of Wisconsin agreement with US Bank for Merchant Services that makes available the terms of the State contract to all local government units throughout the state.

This modification will result in an overall reduction of credit card/debit card fees paid by Milwaukee County departments by a total of approximately \$10,000

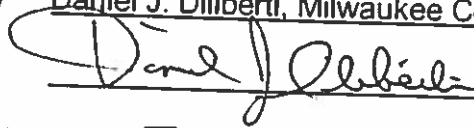
This fiscal note was prepared by the Milwaukee County Treasurer and reviewed by the County Board Director of Research and is based on information provided in the State Bid proposal.

DD/FISCAL NOTE for change in banking merchant fees 2009

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Department/Prepared By Daniel J. Diliberti, Milwaukee County Treasurer

Authorized Signature



Did DAS-Fiscal Staff Review? Yes No

Merchant Services Banking Contract