



**DEPARTMENT OF ADMINISTRATION & FINANCE
PURCHASING/CENTRAL SERVICES DIVISION**

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July 31, 2008

The Honorable Mayor Dan Devine
and Members of the Common Council
7525 West Greenfield Avenue
West Allis, WI 53214

This letter is to request your approval to enter into a contract with JPMorgan Chase Bank, N.A. for the use of their Commercial Card (MasterCard), which will be used for the City's Procurement Card Program. The card will benefit the City in two major areas. First, the ability to order products and services faster and with less transactional time and cost. Secondly, the City will benefit thru a rebate process from the dollars spent, which was negotiated by the V.A.L.U.E. in Local Government Cooperative Purchasing Organization. Presently there are 29 Agencies using the Procurement Card from JPMorgan Chase Bank, N.A. with no modifications to the contract.

The present contract was reviewed by our City Attorney and modifications were requested on 12 items. JPMorgan Chase has modified 10 of the 12 items, but has stated that it would be against Bank policy to make any further changes.

The remaining items for approval, due to unfavorable language in the contract are:

11. *Default.* One-sided language should inure to the benefit of both parties. (JPMorgan Chase is unable to change this language)

13. *Limitation of Liability and Indemnification* "The Client will indemnify the Bank for all claims, cost, demand, expenses, liabilities and losses, including reasonable legal fees and expenses, arising from any claim of a third party relating to any action taken or not taken by the Bank pursuant to this Agreement, unless the action or non-action constitutes the lack of ordinary care or willful misconduct by the Bank; or the breach of any provision of this Agreement. (JPMorgan Chase is not able to change this fourth sentence)

Despite these two provisions, I recommend that this contract be approved.

Sincerely,

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cc: Scott Post