

CITY OF OAKLAND
SUPPLEMENTAL AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2009 MAY 28 PM 8:13

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Finance and Management Agency
DATE: June 2, 2009

RE: **Supplemental Report to Approve a Resolution Authorizing an Agreement with Wells Fargo Bank, N.A. to Providing Primary Depository Services for the City at an Annual Cost Not-To-Exceed \$275,000; and**

A Resolution Authorizing an Agreement with Wells Fargo Bank, N.A. to Provide Primary Custodial Banking Services for the City at an Annual Cost Not-To-Exceed \$25,000

SUMMARY

At the May 26, 2008 meeting, the Finance and Management Committee asked staff to provide responses to the following additional questions:

1. Will the bank make available a phone line for housing counseling services?
2. Will the bank agree in writing to uphold the City's eviction rules?
3. Will the bank assign a point person to provide counseling and to inform the community about the loan modification process?
4. Whether or not the bank meets the minimum wage requirements.

KEY ISSUES AND IMPACTS

Staff has forward the questions to Wells Fargo Bank, N.A. (the "Wells Fargo") and their responses are as follows:

1. Will the bank commit to having a direct phone line at which housing counselors and service providers can reach officers with the ability to modify loans?

Wells Fargo currently have a dedicated loss mitigation 800 number for Housing Counselors. It is 1-866-480-5004.

2. Will the bank commit to following the Just Cause eviction protections for all Oakland residents, including Section 8 and other tenants not covered by rent control?

Due to the time constraint, Wells Fargo does not have a response at this time. However, they will have a response to this question by the Council meeting on June 2nd. Also, a representative from the Wells Fargo will be there to address this issue.

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3. Will the bank commit to dedicating staff time for employees to attend community workshops and service fairs and directly modify loans onsite?

Wells Fargo can commit to continuing to participate in community workshops counseling customers on avoiding foreclosure. Attendance (frequency) is really going to be driven by resources/capacity. Wells Fargo attended approximately 180 workshops last year and are on pace to attend just as many, if not more, this year. As far as modifying loans onsite, our goal is to solution as much as possible on site. Sometimes this does mean actually modifying the loan onsite other times it means completing intake and then having our team follow-up post event to complete the review.

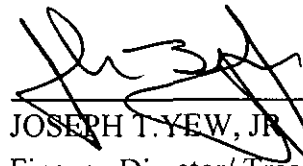
4. Whether or not the bank meets the minimum wage requirements.

All team members (including tellers) are eligible for health benefits if they are regularly scheduled to work 17.5 hours per week or more (i.e., part time or regular).

Wells Fargo pays benefits, on average, of approximately \$300 per month for tellers who enroll in the most popular plan. If the teller enrolls their family, Wells Fargo pays, on average, \$775 per month. Wells Fargo have executed the Declaration of Compliance-Living Wage Ordinance form and provided an hourly rate ranges for jobs in retail division for the City of Oakland (see attached – labeled Schedule N).

Therefore, they are in compliance with the living wage ordinance as well as the equal benefit ordinance. The Social Equity Division of the Department of Contract and Purchasing will issue the certificates to Wells Fargo.

Respectfully submitted,



JOSEPH T. YEW, JR.
Finance Director/ Treasurer

Prepared by:
Katano Kasaine, Treasury Manager
Treasury Division

APPROVED AND FORWARDED TO THE
CITY COUNCIL:



Office of the City Administrator

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**SCHEDULE N
DECLARATION OF COMPLIANCE – LIVING WAGE ORDINANCE**

(For use by all city agencies and departments for procurement, and professional services contracts)
To be completed by the prime and subconsultants (including CFARs)

The Oakland Living Wage Ordinance (the "Ordinance"). Codified as Oakland Municipal Code provides that certain employers under contracts for the furnishing of services to or for the City that involve an expenditure equal to or greater than \$25,000 and certain recipients of City financial assistance that involve receipt of financial assistance equal to or greater than \$100,000 shall pay a prescribed minimum level of compensation to their employees for the time their employees work on City of Oakland contracts. The Redevelopment Agency of the City of Oakland adopted the City's Living Wage policy as its own policy Agency Resolution No. 98-13 C.M.S.

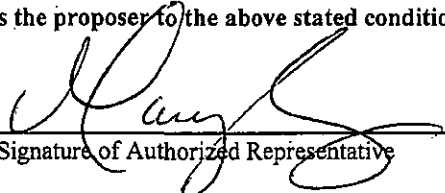
The contractor or city financial assistance recipient (CFAR) further agrees:

To pay employees a wage no less than the minimum initial compensation of \$10.83 per hour with health benefits, as described in Section 3-C "Health Benefits" of the Ordinance, or otherwise \$12.45 per hour, and to provide for the annual increase pursuant to Section 3-A "Wages" of the Ordinance.

- (a) To provide at least twelve compensated days off per year for sick leave, vacation or personal necessity at the employees request, and, at least ten additional days per year of uncompensated time off pursuant to Section 3- B "Compensated Days Off" of the Ordinance.
- (b) Health benefits –Said full-time and part-time employees paid at the lower living wage rate shall be provided health benefits of at least \$1.62 per hour. Contractor shall provide proof that health benefits are in effect for those employees no later than 30 days after execution of the contract or receipt of City financial assistance.
- (b) To inform employees that he or she may be eligible for Earned Income Credit (EIC) and shall provide forms to apply for advance EIC payments to eligible employees. There are several websites and other sources available to assist you. Web sites include but are not limited to: (1) <http://www.irs.gov>, for current guidelines as prescribed by the Internal Revenue Service and (2) the 2008 Earned Income Tax Outreach Kit <http://www.cbpp.org/eic2008/>
- (d) To permit access to work sites for authorized City representatives to review the operation, payroll and related documents, and to provide certified copies of the relevant records upon request by the City; and
- (e) Not to retaliate against any employee claiming non-compliance with the provisions of this Ordinance and to comply with federal law prohibiting retaliation for union organizing.

The undersigned authorized representative hereby obligates the proposer to the above stated conditions under penalty of perjury.

Wells Fargo Bank
Company Name


Signature of Authorized Representative

550 California St. 10th fl, San Francisco CA 94104
Address

Mary Lou Lopez
Type or Print Name

415 396-0929
Area Code Phone

4/1/09
Date

AVP, Relationship Manager
Type or Print Title

Please provide responses to the following questions:

Item No.	DESCRIPTION	RESPONSE	COMMENTS
1.	*How many permanent employees are employed with your company. (If less than 5 employees stop here)	All in Govt. Team	
2.	How many of your permanent employees are paid above the Living Wage rate.	All in Govt. Team	
	How many of your permanent employees are paid below the Living Wage rate.	0	
3.	Number of compensated days off per employee (Refer to item "a" on the other side of the form for the correct number of compensated days off.	20	
4.	Number of trainees in your company?	0	
5.	Number of employees who are under 21 years of age, employed by a nonprofit corporation for after school or summer employment for a period not longer than 90 days.	0	

Job Title	Hourly Rate Range
ASST STORE MANAGER	21.73 - 34.87
BUSINESS BANKING SPEC	24.5 - 30.80
COMMUNITY BANKING PRESIDENT 7	74.99
COMMUNITY BKG DISTRICT MGR 6	61.54 - 67.97
CUST SALES & SVC REP - RETAIL	14.86 - 19.40
LEAD TELLER	14.19 - 23.67
MARKET SUPPORT CONSULTANT 2	33.17 - 40.67
PERSONAL BANKER 1	18.54 - 23.73
PERSONAL BANKER 2	22.99 - 30.38
PERSONAL BANKER REGISTERED 1	19.49 - 20.19
PERSONAL BANKER REGISTERED 2	26.34 - 29.52
REGIONAL PRESIDENT 1	91.35
SERVICE MANAGER 1	18.72 - 23.03
SERVICE MANAGER 2	24.76 - 30.77
STORE MANAGER 2	32.21
STORE MANAGER 3	34.62 - 42.79
STORE MANAGER 4	39.34 - 42.35
TELLER	11.25 - 18.17