

INTERLOCAL AGREEMENT WITH CITY
OF FORTH WORTH FOR PARTICIPATION
IN THE COMMERCIAL CARD
AGREEMENT WITH JP MORGAN CHASE
BANK N.A.

RS-25-163

October 21, 2025

Background

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- ❑ Citibank has been used since 2011 for the City's Commercial Card Program (city credit card/procurement card)
 - ▣ State's contract with Citibank ended September 1, 2025, and all existing cards will be terminated February 2026.
 - ▣ State entered into a contract with U.S. Bank

Background cont'd.

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- JP Morgan Chase N.A. was determined as the best fit for a new commercial card provider
 - ▣ Currently the City's Depository Bank
 - ▣ Offers virtual card program
- The commercial card program with JP Morgan Chase N.A. is offered through an interlocal agreement with the City of Fort Worth
 - ▣ Authority is provided by Ch. 791 of the Texas Government Code and Subchapter f, Chapter 271 of the Texas Local Government Code, which permits local governments to participate in cooperative purchasing agreements

Financial Impact

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- No cost to the City to have a commercial card program
- Rebates are given based off annual credit card spending and a 29-day payment cycle
 - ▣ Estimated annual rebate is \$34,000

Alternatives

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- ❑ Contract with U.S. Bank through the State of Texas contract for the City's commercial card program
- ❑ Enter into an interlocal agreement with the City of Fort Worth and contract with JP Morgan Chase for the City's commercial card program

Recommendation

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- City Council to authorize the City Manger to enter into an Interlocal Agreement with the City of Fort Worth to allow the City of Killeen to participate in the Commercial Card Agreement with JP Morgan Chase Bank N.A.