

**REQUEST FOR PROPOSALS
CITY OF DICKINSON, TEXAS**



**BANK DEPOSITORY SERVICES
REQUEST FOR PROPOSALS #0911-05**

**RFP OPENING DATE:
JANUARY 12, 2009**

**REQUEST FOR PROPOSALS #0911-05
SCHEDULE SUMMARY**

Tuesday	December 1, 2009	RFP Documents Released and 1 st Legal Advertising for RFP
Thursday	December 10, 2009	2 nd Legal Advertising for RFP
Tuesday	December 15, 2009	Last day for inquiries and clarifications
Tuesday	December 22, 2009 10:00 am	Deadline for Submission of RFPs
Tuesday	January 12, 2010 7:00 pm Dickinson City Hall 4403 State Highway 3 Dickinson, TX 77539	City Council Award of RFP

Note: This schedule is preliminary and may be modified at the discretion of the City.

**REQUEST FOR PROPOSALS #0911-05
BANK DEPOSITORY SERVICES**

The City of Dickinson, Texas is accepting sealed proposals for bank depository services.

RFPS MUST BE RECEIVED BY THE FINANCE DIRECTOR OF THE CITY OF DICKINSON, 4403 STATE HIGHWAY 3, DICKINSON, TEXAS 77539, NO LATER THAN 10:00 A.M. ON TUESDAY, DECEMBER 22, 2009. NO RFPS WILL BE ACCEPTED AFTER THAT DATE AND TIME. ALL RFPS RECEIVED AFTER THAT DATE AND TIME WILL BE CONSIDERED UNRESPONSIVE.

THE CITY COUNCIL WILL CONSIDER THE AWARD OF THE RFP TO ONE OR MORE DEPOSITORIES AT DICKINSON CITY HALL LOCATED AT 4403 STATE HIGHWAY 3, DICKINSON, TEXAS 77539 ON JANUARY 12, 2009, AT 7:00 PM.

RFP documents may be downloaded from the Purchasing Page of the City of Dickinson's website at www.ci.dickinson.tx.us or obtained in person at Dickinson City Hall, 4403 State Highway 3, Dickinson, Texas 77539. Minority and small business vendors or contractors are encouraged to submit RFPs on any and all City of Dickinson projects.

All RFPs submitted for City consideration must be clearly marked on the outside of the sealed envelope with the words "REQUEST FOR PROPOSALS #0911-05, Bank Depository Services", Attention: Mary F. Young, Finance Director, and must contain the name of the company submitting the RFP. Responding firms must submit two (2) complete sets of the RFP submission for consideration. **FACSIMILE TRANSMITTALS SHALL NOT BE ACCEPTED.**

It is understood that the City of Dickinson reserves the right to negotiate all elements that comprise the submission and to accept or reject part or all of any submission. The City reserves the right to reject any or all RFPs and waive any or all irregularities or to proceed otherwise when in the best interest of the City. RFPs shall be valid for a period of sixty (60) days from the date RFPs are opened.

All questions regarding this RFP should be submitted in writing to Mary F. Young, Finance Director, City of Dickinson, by mail to 4403 State Highway 3, Dickinson, Texas 77539, by facsimile to (281) 337-6190, or by email to myoung@ci.dickinson.tx.us. Questions regarding this RFP must be received at the Finance Director's Office no later than 5:30 p.m. on December 15, 2009.

1st Advertisement: Galveston Daily News, December 1, 2009

2nd Advertisement: Galveston Daily News, December 10, 2009

I. INTRODUCTION

The City of Dickinson ("City") is accepting proposals from eligible financial institutions ("Bank") to be the banking services depository for public funds of the City. Such bank depository services will not include any investment transaction activities other than the possible purchase of certificates of deposit within a pre-defined limit. The City plans to manage its own investment portfolio. The contract period will be three (3) years beginning **March 1, 2010** and ending **February 28, 2013**, with a provision for a one (1) year continuation up to two (2) additional years under the same terms and conditions of the contract, subject to the mutual agreement of both parties. The contract will also provide for an extension period not to exceed one hundred twenty (120) days for the transition to the new Bank depository. At the outset, the City wishes to communicate the primary objectives of the depository agreement, an important component of the overall treasury and debt management program of the City of Dickinson:

- To seek a Bank that is both capable of providing comprehensive banking services, and willing to be attentive to the City's money matters.
- To maximize the total dollars earned by the City on investment monies in compliance with the City's adopted Investment Policy in order to be prudent and effective custodians of the taxpayers' financial resources;
- To maintain a good working relationship with the depository Bank; and
- To adequately compensate the depository Bank for services provided to the City and to allow a reasonable profit to be earned, subject to competitive forces in the market place.
- To fully comply with the requirements of Texas Local Government Code Chapter 105, as amended.

This Request for Proposal (RFP) is intended to serve as the proposal form for the depository agreement. There are several blanks to fill in and questions to be answered. Any alterations, changes, or deletions to this RFP may be reason for the City to disregard and reject the proposal. Any terms in this Request for Proposal which are in conflict with Chapter 105, as amended, of the Texas Local Government Code shall be deemed superseded by such chapter. Conflicts discovered between this RFP and state law by a respondent should be noted in such respondent's proposal form. All points outlined and materials requested will be incorporated into the respondent's reply to be considered for evaluation. Attachments will be appropriate in order to answer some of the enclosed questions.

Questions regarding this RFP may be addressed to: Mary F. Young, Finance Director, City of Dickinson, 4403 Highway 3, Dickinson, Texas 77539; myoung@ci.dickinson.tx.us; FAX 281-337-6190 **no later than Tuesday, December 22, 2009.**

II. CRITERIA FOR EVALUATION

- A. City staff will review the submitted proposals carefully. The recommendations will be based on the proposal determined to be in the best interest of the City and taxpayers. The following areas will be considered in the evaluation of the proposals:

<u>CRITERIA</u>	<u>WEIGHTED PERCENTAGE</u>
• Ability to perform the requested services	25%
• Lowest aggregate cost of banking services	17%
• Agreement to points outlined in this RFP and Contract	17%
• Financial condition & ability to meet collateral requirements	25%
• Safekeeping/collateral agreements accepted	16%

- B. In order to be considered, the depository must be a federal or Texas-chartered bank. Each proposal must provide the following information:

1. The amount of paid-up capital stock and permanent surplus for the depository.
2. Audited financial statements for the most recent reporting year.
3. A list of the depository officers.
4. A list of the depository directors.
5. Ratings on outstanding debt.
6. Proposed wire transfer agreement/contract.
7. Sample account analysis and monthly bank statement (must show city requirements IX.B & E).
8. Availability of funds schedule.
9. Proposed collateral agreement.
10. Proposed custody/security safekeeping agreement.
11. Any additional contracts or agreements requiring City approval (ACH, etc.)
12. RFP documents including fee schedule.
13. Daylight overdraft policy.
14. Reference list of agencies currently using your depository services

- C. All RFPs must include a completed fee schedule in the form provided. Only the charges listed in **Section IV: B. Services and Fees** will be acceptable in the monthly account analysis. Once selected as the City's Depository, no additional or increased fees for services in the fee schedule may be charged to the City during the contract period. An account analysis must be forwarded to the City each month for review. Upon review and any necessary corrections, the City will authorize a debit to its General Operating Fund Account. Under most circumstances, the review should be completed in five (5) business days. No interest or other late charge payment shall ever be due.

- D. Services may be modified by mutual agreement. It is expected the range of services described in this RFP will be used for the length of the contract; however, the City may discontinue any service after sixty (60) days written notification to the Bank. Services may also be added, with costs of new services to be negotiated at that time.

III. BANK QUESTIONNAIRE

The Bank is requested to thoroughly answer the following questions. Additional pages may be appended if space is inadequate.

1. How is the Bank chartered?
2. What percent of current loans are classified as non-performing?
3. Does the Bank have any significant problems noted by regulatory agencies in the past twenty-four (24) months? If “yes”, please explain.
4. Indicate the Bank’s capital to assets ratio for the last five (5) years.
5. What was the Bank’s 2009 return on assets (ROA)?
6. Attach copies of the Bank’s most recent FDIC (UPBR) call reports.
7. Is the Bank a branch bank or will it soon become a branch bank? If so, please indicate which services will be provided from the Bank’s present location and which will be provided from the main Bank. Also, please indicate service location throughout the proposal where applicable.
8. Please list all service locations in Galveston County.

IV. ACCOUNT DESCRIPTIONS

A. General

The City intends to establish the following Bank accounts:

<u>Account Name</u>	<u>Type</u>
General Operating Account	Interest Bearing Transaction Acct
Money Market Fund Account	Interest Bearing Transaction Acct
Seized Funds Account	Interest Bearing Transaction Acct
Evidentiary Funds Account	Interest Bearing Transaction Acct

The City reserves the right to open or close any number or type of accounts throughout the period if necessary although no changes are anticipated.

B. Services and Fees

	Estimated Monthly Volume	Fee Charges/ Per Unit	Total Monthly Charges
Depository Services			
Account Services			
Account Maintenance	4		
Maintenance Master Account	1		
ZBA Maintenance Sub Account (If Used)	1		
Depository & Disbursement Services			
Credits Posted	150		
Dep Checks Deposit Corrections	1		
Dep Return Items Returned	3		
Dep Return Redeposit Reclear	1		
Checks/Debits Posted	300		
Stop Payment	1		
Online Ck Svcs Image Maint	1		
Reconciliation Services			
Check Exception Return	1		
Transaction Image Capture	300		
CD ROM Media Fee	1		
CD ROM Maintenance	1		
CD ROM Check Safekeeping	300		
Positive Pay without Full Recon	2		
Funds Transfer Services			
On-line Outgoing Wire	3-5		
Incoming Wire/ACH Credits	22		
Information Services			
Previous Day Maintenance	1		
Intraday Maintenance	1		
Previous Day Account Detail	2		
Previous Day Item Detail	15-20		
Intraday Account Detail	3		
Intraday Item Detail	15-20		

List any other applicable Bank charges: **Only the Bank charges listed above and in this section will be acceptable in the monthly account analysis.** Once selected as the City's Bank, no additional or increased fees for these services in the fee schedule may be charged to the City during the contract period.

NOTE:

Under a straight fee arrangement with the Bank, analysis charges would be debited to the Operating General Fund Account and an analysis fee statement will be mailed to the City each month. Under a compensating balance method, all accounts would be tied to a main account and collected balances would be maintained to offset service charges. The estimated volumes above are projections based on current annual volumes.

- C. Automatic Payroll Deposit is a service the City offers its employees. The Bank would be required to produce bi-weekly payroll transfers furnished by the City in ACH format for the transfer of funds directly to the employee bank, savings and loan, or credit union account. Please state the Bank's procedure for this service and list appropriate cut-off times that would apply. The City's net payroll is approximately \$105,000.00 each pay period. State whether the Bank would offer any type of special checking, money market, or loan account for the City employees.
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- D. Does the Bank offer any type of sweep account where excess City funds could be invested at a higher rate overnight than in a Super NOW account arrangement? Does the Bank have money market funds consisting of treasuries, agencies, prime commercial paper, prime domestic bankers acceptances and collateralized or insured certificates of deposit that the City could utilize daily as an investment alternative? If so, please explain the fund's parameters and interest earnings history or attach a separate prospectus.
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E. Payment for Services

The City intends to pay for all account services provided by the Bank as set forth in Section IV. B. The method expected to be used for the payment of these services is the compensating balances method. The Bank should debit the appropriate account on a monthly basis. The City will require an account analysis each month that will clearly show volume counts, fees charged, and total price for servicing the account. The account analysis should also show average ledger balances, average float, and average collected balances, interest rates and the amount of interest paid or credited to the account. These

fees are not subject to change for the length of this account. Please submit a sample of the monthly account analysis statement that will be provided and paid monthly.

F. Collected Funds Definition

The City desires to receive same day credit for all funds deposited by 5:00 p.m. The funds should be investable for any investment transactions that can be executed. If not invested, the funds should earn interest at the rate being paid for Super NOW or equivalent accounts. Please attach availability schedule. Use a separate attachment if necessary.

G. Super NOW Rates

Please provide a detailed explanation of the Bank's policy and methodology used in the setting of rates paid on Super NOW accounts. Specifically indicate if the rates are applied to ledger balances or collected balances. Indicate when the rates change and if they are based on a market rate such as T-Bill discount or yield rate. If the Bank proposes to pay the City a different rate on its Super NOW accounts, indicate that proposal.

H. Other Services

Bank capability to meet the following requirements must be detailed in the proposal.

1. Remote Deposit Capture: The City desires services that will offer the latest in check technology that will convert paper checks to electronic transactions at the point-of-sale to improve cash flow, minimize reconciliation efforts, reduce bank fees, and reduce returned checks. Bank capability to meet the following requirements must be detailed in the proposal.

- Must have late deposit cut-off times (9:00 p.m.) and allow for same day credit to the City's Control Concentration Account.
- Allow for checks deposits to be processed as image replacement documents, ACH, or both.
- Deposit batches must appear as a single credit to the bank statement for reconciliation purposes.
- Must be able to scan standard-size checks and payment coupons.
- Must have the flexibility to include discretionary data fields for the input of customized information.
- Must have reporting capabilities for standardized deposit reports.
- Images of payments and coupons must be accessible for on-line viewing up to 180 days.
- Allow for same day modification to add new users, change authorization levels, and delete users.
- Provide an explanation of services; identify reduction/increase in fees for this service to those identified in *Section B. Services and Fees* for traditional deposit services, cost of hardware, and cost of implementation and training.

2. Positive Pay.
 - Must have capabilities to receive daily disbursement file from the City and verify the check number, check amount, and payee name.
 - Must provide daily e-mail or on-line notification services of daily exceptions
3. Accounts Payable/ACH processing. The City desires services that will allow the payment of City liabilities through ACH processing. Please identify the process, costs, and on-line reporting/viewing services associated with this process. Training of ACH on-line services will be required.
 - Must have on-line reporting and viewing capabilities
 - Must be able to submit electronic data for both debits and credits
 - Must be able to reverse debits and credits
4. Depository Services Requirements. Bank capability to meet the following requirements must be detailed in the proposal.
 - Previous month's bank statements must be available on the 5th working day of following month.
 - Wire Transfer detailed information must be noted on the bank statement and accessible through on-line reporting services.
 - ACH detailed information must be noted on the bank statement and accessible through on-line reporting services.
 - Credit Card Merchant IDs must be noted for deposits, adjustments, and chargebacks on the bank statement and accessible through on-line reporting services.
 - Deposit Slips must be serialized and must provide location identification numbers.
 - Deposits must include the serialized numbers and location identifications on the bank statements and on-line reporting services.
 - All deposit adjustments, returned checks, etc. noted on the bank statement and on-line reporting services must include original deposit information (serialized deposit slip number and location identification).
 - Must receive daily notification of all ACH rejects, returned checks, deposit adjustments, etc by fax, e-mail, and on-line notification services.
 - Must receive reconciliation files electronically
5. Please specify any other services available to the City of Dickinson which may be thought to be beneficial or that may apply to the City and state all related fees therefor.

V. SAFEKEEPING/COLLATERAL REQUIREMENTS

A. Securities Pledged

As security for the deposits of the City of Dickinson, the Bank shall pledge to the City securities equal to the largest total ledger balances the City maintains in the Bank. Certificates of deposit and other evidences of deposit shall be collateralized at 102% of market value with/by U.S. Treasury Bills, Notes, and Bonds or any other securities

approved by the Director of Finance, or designated representative with a remaining maturity of two years or less. The securities so pledged, the amounts thereof and the time for pledging same must satisfy the requirements of Texas Local Government Code Chapter 105, as amended. Additionally, U.S. Treasury securities shall be the primary securities accepted as collateral.

B. Collateral Substitutions

Any substitutions of the securities or reductions in the total amount pledged may be made only by and with proper written authorization approved by the Director of Finance, or her designated representative. In the case of reduction, the Bank must provide in writing that collateral will be available when needed to meet normal City balance increases throughout the year. The City must approve all securities pledged. Any state or local government bonds pledged must have a rating of at least A or A1 or better by Moody's Investor Services or Standard & Poors Corporation.

C. Custodian of Collateral

Securities pledged as collateral must be retained by a third party custodian that is a subscriber to the Fed Security Wire and held in joint safekeeping for the Bank and the City. The custodian must be approved by the City and be:

- a state or national bank domiciled in Texas,
- a federal home loan bank, or
- a Federal Reserve Bank or branch of a Federal Reserve Bank.

The City shall be provided the original safekeeping receipt on each pledged security which will be filed with the Director of Finance of the City of Dickinson. Written release by the City is required for all releases or substitutions of pledged accounts.

D. Reporting Requirements

The Bank shall provide the City a report of securities pledged on a monthly basis or at any time requested by the Director of Finance, or her designated representative. This report should reflect the following information as of the end of each month and be delivered to the City by the 5th of each month.

Total pledged securities itemized by:

- Name
- Type/Description/Cusip Number
- Par Value
- Current Market Value
- Maturity Date
- Moody's or Standard & Poors Rating (both, if available)

E. Eligible Securities

The following investment securities are approved for collateral:

1. United States Treasury notes, bills or bonds or obligations fully and unconditionally guaranteed as to principal and interest by the full faith and credit of the United States;
2. Letter of Credit from the Federal Home Loan Bank issued to the City of Dickinson
3. FDIC Insurance
4. NCUA Insurance

These items constitute the only acceptable means of collateralizing the City's deposits. The securities must be held in safekeeping by a third party financial institution pursuant to a safekeeping agreement signed by the Bank and the City. Repurchase agreements are not acceptable as collateral to the City of Dickinson.

F. Safekeeping Requirements of Collateral

The securities pledged shall be held in safekeeping by a separate and different Bank other than the depository Bank. The original copy of all safekeeping receipts shall be filed with the Director of Finance of the City of Dickinson. The City will reimburse the depository Bank for any safekeeping charges, if any. Specify the safekeeping charges that will apply: _

_____.

The City, Depository Bank, and the Safekeeping Bank shall operate in accordance with a master safekeeping agreement signed by all three parties. The safekeeping agreement must clearly state that the Safekeeping Bank is instructed to release the collateral securities to the City if the City has determined that the Depository Bank has failed to pay on any accounts, or is in default of this agreement, or the City has determined that the City's funds are in jeopardy for whatever reason including involuntary closure or change of ownership, and if the instructions for release have been formally requested by the City Council by ordinance or resolution.

A copy of the safekeeping agreement and the name of the Safekeeping Bank to be used in the event the respondent is awarded the Bank Depository Agreement must be submitted with the proposal.

G. Maximum Amount Offered

Please state the maximum amount, if any, of pledged securities which the Bank is willing or able to commit for collateralized Super NOW accounts throughout the contract period above the \$1,500,000 minimum balance.

H. City to Handle Investments

The City of Dickinson will be responsible for handling the investment bidding process. The Depository Bank, along with any eligible financial institution shall be included in the bidding process as deemed appropriate and in accordance with the City's investment policies.

I. Interest Rates Paid – Certificates of Deposit

The City may choose to invest in the certificates of deposit in the Depository Bank or any other eligible financial institution. The Depository Bank agrees to accept time deposits from the City for investment purposes in the form of certificates of deposits in varying amounts and maturities at rates determined by the depository's competitive bid as submitted in accordance with periodic competitive bid solicitations conducted by the City.

J. Interest Rate Calculations

Interest on all certificates of deposit shall be computed on an actual day basis (365), and the interest will be paid to the City on the maturity date. Interest calculations will include the first day in the investment period but will not include the day of maturity. Payment will be made by crediting the Bank account.

VI. OVERDRAFTS

A. Definition

The City does not intend to have a net overdraft position throughout the course of the contract. An overdraft is defined as a negative demand balance in the City accounts collectively, not by individual account.

B. Terms

Should an overdraft occur in the aggregate, the following stipulations shall apply:

1. The maximum number of days the overdraft will be allowed is _____
2. The maximum amount of the net overdraft to be allowed will be \$_____
3. The interest rate charged for overdrafts will be _____ per annum computed on the actual day basis.

VII. INFORMATION SERVICES

A. Account Reconciliation

The City will process its own reconciliation for its accounts but requires data as follows:

1. Monthly statements or a CD ROM for all accounts showing overall activity shall be mailed within five (5) working days after the close of the calendar month. Statements shall include deposits made on the last day of the period. The accompanying image of checks shall be arranged in ascending numerical order for the Disbursement Account which will include operating checks and payroll checks. All other account statements should include debit/credit advices which the City will be responsible for placing in numerical order. The City requires a report reflecting all items paid in serial number sequence, which is balanced to the Bank statement (partial account reconciliation). **(Please provide a sample monthly statement with your RFP).**
2. The Bank shall also provide the City with a computer file of the transactions for each account. The file is to be transmitted by modem, tape/disk, or e-mail. Requirements for the file will be provided at a later date. A computer printout of all activities should accompany the computer file. Each debit or credit item, other than checks, deposits, or wire transfers, shall be supported by a written explanation identifying such item.

B. Check Safekeeping Service

All checks shall be captured monthly on a compact disc and sent to the City. This process should allow the City to search for cleared checks and print the image of a cleared check. The checks returned in the monthly statement do not require sorting, as long as the compact disc images are available. Please include any software cost associated with this service in the fee schedule section. The City may require a demonstration by the Bank of this service.

C. On-Line Banking Access

The City requires on-line bank access to all City account information. The following requirements must be met for full consideration.

- Must be able to add, edit, and delete users.
- Single and multiple approval levels must be available for all cash related transactions.
- Ability to create templates for wires and ACH transfers.
- Ability to initiate wires, stop payment, ACH transfers.
- Reporting that will allow access to current and prior business day transactions.
- Imaging of checks and statements.
- Ability to download monthly statements to excel.

VIII. OTHER STIPULATIONS

A. Regulation Notices

The Bank will notify the City in writing within ten (10) days of any changes in Federal or State regulations or laws that would thereafter affect the depository agreement. The Bank shall also notify the City of any new services that become available to the City throughout the contract period.

B. Wire Transfers

The City shall submit all outgoing wire transfers to the Bank according to its published cutoff times established for current customers. The Bank shall maintain wire transfer facilities to the Federal Reserve Bank for investment purchases or sales and other transactions with financial institutions. Written confirmation of such transactions will be provided to the City and a duplicate copy of the debit or credit shall be furnished to the City within twenty-four (24) hours. Notification to the City of incoming wire transfers or problems with outgoing wire transfers shall be made within one (1) hour of the transaction.

The City requires that all outgoing wire transfers be released within one hour. In addition, all wire transfers (both incoming and outgoing) must be properly noted on the bank statement. (i.e., Wire Transfer- State Comptroller).

The Director of Finance or the City Administrator will authorize all wire transfers on behalf of the City. ***In the event of computer problems or other unexpected difficulties, the Bank shall use whatever means necessary to ensure that the City's outgoing wire transfers are completed on the date specified through City initiated instructions.***

C. Debit & Credit Adjustments

The City requires that a copy of all debit and credit adjustments be faxed or emailed to the Director of Finance with supporting documentation, as the entries are made throughout each month. The documentation must include reference to the original deposit slip number and location identifier. The City's monthly statement should also include a copy of all debit and credit adjustments. Adjustments should include descriptions, dates, and amounts in order for the City to properly adjust its books. The City shall not be responsible for the cost of credit and debit adjustments necessitated by Bank.

D. Account Balances

The City shall have a means of contacting the Bank prior to 9:00 a.m. each business day to get the ending balances for all accounts from the previous working day.

E. Bank Statements

Bank statements or statement activity shall be rendered by the fifth working day after the close of the calendar month. The statement must include deposits made on the last day of the month. The accompanying check images must be arranged in numerical order.

In addition, the City requires that all transactions (customer deposits, credit card deposits, charge backs) must be noted with a location name or unique identifiable number on the bank statements.

F. Right to Audit Records

The Bank's records relating to the City of Dickinson accounts shall be open to review by either City staff members or City-appointed independent auditors during normal business hours.

G. Financial Reports

The Bank will submit a copy of the last audited annual financial statements and the subsequent quarterly supplements along with an annual year end Uniform Bank Performance Report.

H. Investment Extension Period

The Bank agrees to honor and continue any investments made during the term of the depository contract that will mature after the expiration date of the depository agreement at the same rate established before the expiration of the contract. The investment extension period will not exceed ninety (90) days.

I. Bank Failure

Should the Bank fail, close, or be forced into reorganization during the term of this contract, City reserves the right to cancel the contract and re-bid for City's depository services.

J. Research Requests

All research requests must be turned around within three (3) business days of the request.

K. Returned Items

All checks deposited by the City that do not clear the first time should be submitted a second time before returning them to the City. Returned checks that do not clear on the second attempt shall be returned to the City within two (2) business days. The City shall receive same day telephone or e-mail notification of all return items in excess of \$5,000.

L. Transition Schedule

Please provide a schedule documenting the transition of transferring the City's banking services from the current Depository to your institution.

X. SUBMITTAL INSTRUCTIONS

A. Date, Time, Location

RFPS MUST BE RECEIVED BY THE FINANCE DIRECTOR OF THE CITY OF DICKINSON, 4403 STATE HIGHWAY 3, DICKINSON, TEXAS 77539, NO LATER THAN 10:00 A.M. ON TUESDAY, DECEMBER 22, 2009. NO RFPS WILL BE ACCEPTED AFTER THAT DATE AND TIME. ALL RFPS RECEIVED AFTER THAT DATE AND TIME WILL BE CONSIDERED UNRESPONSIVE.

THE CITY COUNCIL WILL CONSIDER THE AWARD OF THE RFP TO ONE OR MORE DEPOSITORIES AT DICKINSON CITY HALL LOCATED AT 4403 STATE HIGHWAY 3, DICKINSON, TEXAS 77539 ON JANUARY 12, 2010, AT 7:00 PM.

All RFPs submitted for City consideration must be clearly marked on the outside of the sealed envelope with the words "REQUEST FOR PROPOSALS #0911-05, Bank Depository Services", Attention: Mary F. Young, Finance Director, and must contain the name of the company submitting the RFP. Responding firms must submit two (2) complete sets of the RFP submission for consideration. FACSIMILE TRANSMITTALS SHALL NOT BE ACCEPTED.

B. Response to RFP

Respondent should use the RFP form to submit rates and to answer questions wherever possible. However, any point to which the Bank cannot agree should be clearly noted with attachments which explain this disagreement. Please reference the section and paragraph in these cases. Also, please clearly restate the question when supplying answers on any supplemental pages.

C. Additional Information

The City reserves the right to request additional information or to meet with representatives from proposing organizations to discuss points in the proposal before and after submission, any and all which may be used in forming a recommendation.

D. Right to Reject Proposals

It is understood that the City of Dickinson reserves the right to negotiate all elements that comprise the submission and to accept or reject part or all of any submission. The City reserves the right to reject any or all RFPs and waive any or all irregularities or to proceed

otherwise when in the best interest of the City. RFPs shall be valid for a period of sixty (60) days from the date RFPs are opened.

X. ADDITIONAL INFORMATION

- A. **PERIODIC REVIEW:** The City of Dickinson shall require a review meeting at least once every six months to evaluate the working relationship between the City and the Bank. The objective will be to address any problems and to seek a responsible solution. More frequent meetings may be called if necessary.
- B. **CITY COUNCIL ACTION:** The city Council will consider the award of the RFP to one or more depositories at Dickinson City Hall located at 4403 State Highway 3, Dickinson, Texas 77539 on January 12, 2010, at 7 pm.
- C. **RFP ADVERTISEMENT:** This RFP will be duly advertised and is being offered for consideration to all financial institutions inside the corporate limits of the City of Dickinson.
- D. **DESIGNATION OF INDIVIDUALS:** Upon being awarded the contract, the Bank shall designate, in writing, an individual to be the official contact person for all correspondence. The city of Dickinson shall do the same. The Bank shall be responsible for training and communicating the terms of the contract to Bank employees.
- E. **CONTRACT PERIOD/RENEWAL OPTIONS:** In the case of an annual contract bid, the contract shall be for a predetermined period as specified in the RFP. If a clause for option to renew for additional period(s) is(are) included, renewal(s) will be based solely upon the option and written agreement between both the City and the Contractor. Either party dissenting will terminate the contract in accordance with its initial specified term.
- F. **AUDIT:** The City reserves the right to audit the records and performance of successful Respondent during the term of the contract and for three (3) years thereafter.
- G. **SUCCESSFUL RESPONDENT SHALL:** Defend, indemnify and save harmless the City and all its officers, agents and employees and all entities, their officers, agents and employees who are participating in this contract from all suits, actions or other claims of any character, name and description brought for or on account of any injuries, including death, or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the successful respondent, or of any agent, officer, director, representative, employee, subcontractor or supplier in the execution of, or performance under, any contract which may result from bid award. Successful respondent shall pay any judgment with cost which may be obtained against the City and participating entities growing out of such injury or damages.

- H. **TERMINATION FOR DEFAULT:** The City reserves the right to enforce the performance of this contract in any manner prescribed by law or deemed to be in the best interest of the City in the event of breach or default of this contract. The City reserves the right to terminate the contract immediately in the event the successful respondent fails to: (1) meet delivery schedules; or (2) otherwise performs in accordance with these specifications.

In the event the successful respondent shall fail to perform, keep or observe any of the terms and conditions to be performed, kept or observed, the City of Dickinson shall give the successful respondent written notice of such default; and in the event said default is not remedied to the satisfaction and approval of the City within seven (7) working days of receipt of such notice by the successful respondent, default will be declared and all the successful Respondent's rights shall terminate. Respondent, in submitting this proposal, agrees that the City of Dickinson shall not be liable to prosecution for damages in the event that the City declares the respondent in default.

Breach of contract or default authorizes the City to, among other things, award to another respondent, purchase elsewhere and charge the full increase in cost and handling to the defaulting successful respondent.

- I. **REMEDIES:** The successful respondent and the City agree that each party has all rights, duties, and remedies available as stated in the Uniform Commercial Code and any other available remedy, whether in law or equity.
- J. **VENUE:** This contract will be governed and construed according to the laws of the State of Texas. This contract is performable in Galveston County, Texas.
- K. **SILENCE OF SPECIFICATION:** The apparent silence of these specifications as to any detail or to the apparent omission from it of a detailed description concerning any point shall be regarded as meaning that only the best commercial practices are to prevail. All interpretations of these specifications shall be made on the basis of this statement.
- L. **NO PROHIBITED INTEREST:** The respondent acknowledges and represents they are aware of the laws regarding conflicts of interest. In compliance with Local Government Code §176.006, as amended, all respondents shall submit a completed conflict of interest questionnaire as provided herein with their submittal.
- M. **DECEPTIVE TRADE PRACTICES/UNFAIR BUSINESS PRACTICES:** By submission of a proposal, the respondent represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Tex. Bus. & Com. Code Chapter 17 or allegations of any unfair business practice in any administrative hearing or court suit that the respondent has not been found to be liable for such practices in such proceedings.

- N. **FELONY CRIMINAL CONVICTIONS:** The respondent represents and warrants that neither the respondent nor the respondent's employees have been convicted, or have a pending felony criminal offense, or that, if such a conviction has occurred, the respondent has fully advised the City of Dickinson as to the facts and circumstances surrounding the conviction.
- O. **SEVERABILITY:** If any section, subsection, paragraph, sentence, clause, phrase or word of these requirements or specifications shall be held invalid, such holding shall not affect the remaining portions of these requirements and the specifications and it is hereby declared that such remaining portions would have been included in these requirements and the specifications as though the invalid portion had been omitted.
- P. **FORCE MAJEURE:** If, by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this contract, then such party shall give notice and full particulars of such Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders of any kind of government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines, or canals, or other causes not reasonable within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.

RESPONSE FORM

RESPONDER:

Company: _____ Date: _____

Signature: _____

Printed Name: _____ Title: _____

Address: _____

City, State & Zip: _____

Telephone Number: _____ Fax: _____

E-mail address: _____

Federal EID #/SSN #: _____

REFERENCES

Each Responder is to provide a minimum of three (3) verifiable commercial business references for which the Responder has performed work.

1. Company Name: _____

Address: _____

Contact Person: _____

Telephone: _____

2. Company Name: _____

Address: _____

Contact Person: _____

Telephone: _____

3. Company Name: _____

Address: _____

Contact Person: _____

Telephone: _____

SUPPLEMENTAL INFORMATION

Please provide the following information for contract development.

Is your firm:

- 1. Sole Proprietorship YES NO
- 2. Partnership YES NO
- 3. Corporation YES NO

If company is a sole proprietorship, list the owner's full legal name:

If company is a partnership, list the partner's full legal name(s):

If company is a corporation, list the full legal name as listed on the corporate charter:

Is this firm a minority, or woman-owned business enterprise?

NO YES If yes, specify () MBE () WBE

Has this firm been certified as a minority/woman-owned business enterprise by any governmental agency? NO YES

If yes, specify governmental agency: _____

Date of certification: _____

CONFLICT OF INTEREST QUESTIONNAIRE

CONFLICT OF INTEREST QUESTIONNAIRE	FORM CIQ
<p>This questionnaire is being filed in accordance with Chapter 176 of the Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with the City of Dickinson and the person meets the requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the City Secretary of the City of Dickinson not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.</p> <p>A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.</p>	OFFICE USE ONLY
<p>Date Received:</p>	
<p>1. Name of person who has a business relationship with the City of Dickinson.</p>	
<p>2. <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the City Secretary not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)</p>	
<p>3. Name of local government officer with whom filer has employment or other business relationship.</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">Name of Officer</p> <p>This section must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of questionnaire?</p> <p style="text-align: center;">Yes _____ No _____</p> <p>B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not from the City of Dickinson?</p> <p style="text-align: center;">Yes _____ No _____</p> <p>C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?</p> <p style="text-align: center;">Yes _____ No _____</p> <p>D. Describe each employment or business relationship with the local government officer named in this section.</p>	
<p>4.</p> <p>_____</p> <p style="display: flex; justify-content: space-between;"> Signature of person doing business with the government entity Date </p>	

XII. SUBMISSION CHECK

- A. "Bid" with fill-in-the-blank format. Please note that all of the requirements/information requested in this proposal must be met for full consideration.
- B. Sample bank statement (must show city requirements IX B & E).
- C. Availability of funds schedule.
- D. Money Market Fund prospectus if applicable.
- E. Sample monthly collateral report.
- F. Sample safekeeping agreement with the Federal Reserve Bank for collateral.
- G. Sample controlled disbursement agreement.
- H. Sample wire agreement.
- I. Sample stop payment agreement.
- J. Sample account analysis statement.
- K. Annual financial statement of the Bank along with the last two quarterly FDIC call reports
- L. Reference list of agencies currently using your bank depository services
- N. Transition schedule.
- O. Completed Applicant Questionnaire
- P. Completed Response Form
- Q. Completed Supplemental Information
- R. Completed Conflict of Interest Questionnaire