



SOLICITATION OVERVIEW

The City of League City is soliciting applications for:

TITLE: Primary Depository Bank Services Application
RFA # 17-001

Due Date: Monday, December 5, 2016 – 2:00 P.M.

Location: Purchasing Department
City of League City
300 W. Walker Street
League City, Texas 77573

Pre-Application Conference*:

Date & Time: Monday, November 14, 2016 – 11:00 A.M.

Location: City Hall
300 W. Walker Street
League City, Texas 77573

***Attendance at this conference is strongly recommended, but not mandatory.**

Announcement of Applicants:

There will be an announcement of the names of all applicants in the Purchasing Department immediately following the submittal deadline.

Submit written questions to: Shawna Tubbs, Purchasing Manager
Shawna.Tubbs@LeagueCity.com.

Questions may be submitted in writing through 3:00 P.M. CDT, Wednesday, November 16, 2016. No verbal questions will be accepted. Questions of a substantial nature will be addressed in formal addenda.

Valley View Consulting, L.L.C. is assisting the City with the preparation of this RFA and the evaluation of applications received.



**REQUEST FOR APPLICATIONS
PRIMARY BANK DEPOSITORY SERVICES**

The City of League City, TX (the “City”) is soliciting sealed applications from qualified banking institutions to provide primary bank depository services. The initial contract period will begin May 1, 2017 and end April 30, 2020. The contract may be extended for two (2) additional one-year periods under the same terms and conditions. Sealed applications will be accepted until 2:00 P.M. on Monday, December 5, 2016 in the Purchasing Department, 300 W. Walker Street, League City, Texas 77573. Application envelopes shall be sealed and designate on the front lower, left hand corner the following:

“Primary Depository Bank Services Application – RFA # 17-001”

Note: Applications received after 2:00 P.M., Monday, December 5, 2016 will not be considered

The sealed application submission shall include the following:

1. One original (so marked) and three (3) complete bound copies of the application.
2. One complete copy of the application response as a PDF file on a Flash Drive; and,
3. The MS-Excel Fee Schedule on a Flash Drive.

Any applications received after the time and date stated above, regardless of delivery, will not be considered and will be returned to the applicant unopened. All prospective applicants are strongly encouraged to attend a non-mandatory pre-application conference at the City of League City, City Hall, 300 W. Walker Street, Texas 77573 at 11:00 A.M. on Monday, November 14, 2016. Questions concerning this RFA should be directed in writing to Shawna Tubbs, Purchasing Manager at Shawna.Tubbs@LeagueCity.com. The City reserves the right to reject all applications and to waive all formalities except time of filing.

Table of Contents

INTRODUCTION	3
REQUEST FOR APPLICATION.....	4
CALENDAR OF EVENTS.....	6
APPLICATION REQUIREMENTS.....	7
APPLICATION SUBMITTED BY	9
CRITERIA FOR EVALUATION	10
ACCOUNT ACTIVITIES.....	11
REQUIRED SERVICES.....	12
SERVICES THAT MAY BE CONSIDERED.....	16
DEPOSIT PROCEDURES	18
COLLATERAL REQUIREMENTS.....	19
INVESTMENT ACTIVITIES.....	21
OVERDRAFT PROVISIONS	23
OTHER STIPULATIONS	24
MISCELLANEOUS.....	26
EXHIBIT 1	27
Bank Transactions by Account.....	27
EXHIBIT 2	28
Account Analysis Summary.....	28
EXHIBIT 3	29
Sample Bank Depository Services Agreement	29
FEE SCHEDULE.....	32
RESPONSE ATTACHMENTS	36
INVESTMENT POLICY AFFIDAVIT	37
INVESTMENT POLICY.....	38

INTRODUCTION

The City of League City (the “City”), pursuant to Chapter 105, Texas Local Government Code is requesting applications from eligible and qualified financial institutions to provide the City the banking services as described below. **To be eligible under Chapter 105 an otherwise qualified institution must have a physical location within the City’s municipal boundaries.** The services provided will be in accordance with this Request for Application (the “RFA”) and attachments. It is City’s intent that a Bank Depository Services Agreement detailing the services to be provided will be duly executed between the City and the selected financial institution.

All charges and fees associated with the Bank Depository Services Agreement must be clearly and accurately included in the RFA response. The charges and fees represented in the RFA response shall overrule all previous bank service or other agreements between the City and the financial institution, as they relate to the accounts and services included herein. The City will not be obligated by any charges and fees not clearly and accurately presented in the RFA response. Services initiated after consummation of the Bank Depository Services Agreement shall carry charges and fees mutually agreed to, in writing, by the City and the financial institution. Regardless of time delay, the financial institution shall refund or credit the City for any erroneous charges and fees not agreed to in writing.

The philosophy incorporated into this RFA is to solicit applications for banking services currently utilized or being considered by the City. The City intends to manage its funds to minimize service charges and optimize investment income as authorized by policy and permitted by State law. Depending upon market conditions, future collected fund balances may be reduced and invested in other available investment alternatives.

While the City expects the contract duration to be five years, the initial agreement period will be for a three-year period of May 1, 2017 through April 30, 2020, with a provision for two (2) one-year extensions under the same terms and conditions of the contract, at the option of the City. The agreement will also provide for a transition period not to exceed ninety (90) days for migration to a new bank at the end of the term.

The City reserves the right to open or close any number or types of accounts, as it deems necessary throughout the term of the agreement. Any fee charged for services not listed but later requested by the City will be mutually agreed upon in writing. All fees, rates, and conditions shall be fixed for the entire contract period, including extensions.

The Bank Depository Services Agreement is an important component of the treasury and cash management system of the City. From this perspective, the City is seeking a financial institution that is:

- Capable of providing the services required by the City,
- Willing to be attentive and responsive to the City’s financial matters, and
- Financially sound and meets the City’s requirements.

REQUEST FOR APPLICATION

Pursuant to Chapter 105 of the Local Government Code, this RFA is intended to serve as the application form for the Bank Depository Services Agreement. There are multiple blanks to fill in and questions to be answered. The evaluation of the applications will be based on the responses included herein.

Exceptions, conditions, or qualifications to the provisions of the City's specifications or requirements must be clearly identified as such, with the reasons therefore, and alternate language proposed by the respondent, if any, clearly stated and inserted in the appropriate place in the application submission.

Each of these exceptions, conditions, or qualifications to the City's specifications may be included, as appropriate, in the contract documents. Items and matters not explicitly excepted in this manner shall be deemed to be in conformance with the City's specifications.

The RFA also requests certain information to be attached and specifically labeled. Responses must be complete, address all aspects of the RFA, and include all requested information to receive full consideration by the City in the selection process. The City may choose to waive any irregularities in any responses received and reserves the right to reject all applications.

The City desires to enter into a contract of mutual party benefit and will answer all questions pertaining to this RFA. In this regard, the City will hold a pre-application conference at City Hall prior to the deadline for submission of applications. Attendance at the pre-application conference is not mandatory but strongly encouraged. Please note the following calendar of events for the dates and times of key elements in the application process.

As defined in Section 105.015 (c), each applicant shall comply with the conflict of interest provision of Section 131.903 of the State's Local Government Code in regards to the selection of the depositories:

Sec. 131.903. CONFLICT OF INTEREST.

(a) A bank is not disqualified from serving as a depository for funds of a political subdivision if:
(1) an officer or employee of the political subdivision who does not have the duty to select the political subdivision's depository is an officer, director, or shareholder of the bank; or
(2) one or more officers or employees of the political subdivision who have the duty to select the political subdivision's depository are officers or directors of the bank or own or have a beneficial interest, individually or collectively, in 10 percent or less of the outstanding capital stock of the bank, if:

(A) a majority of the members of the board, commission, or other body of the political subdivision vote to select the bank as a depository; and

(B) the interested officer or employee does not vote or take part in the proceedings.

(b) This section may not be construed as changing or superseding a conflicting provision in the charter of a home-rule municipality.

Certificate of Interested Parties: APPLIES TO ALL CONTRACTS THAT MUST BE APPROVED BY THE CITY COUNCIL.

In accordance with House Bill 1295, for certain contracts entered into on or after January 1, 2016, the successful bidder must submit a ***Certificate of Interested Parties*** (Form 1295) at the time the signed contract is submitted to the **CITY** and/or before the City can pay any related invoice. This applies to any contract of any amount that must be approved by the City Council.

The *Certificate of Interested Parties* (Form 1295) must be filed electronically with the Texas Ethics Commission using the online filing application located at:

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm.

CALENDAR OF EVENTS

Monday, November 7, 2016	RFA distributed to prospective financial institutions
Monday, November 14, 2016	Non-Mandatory Pre-Application Conference (11:00 A.M.)
Wednesday, November 16, 2016	Deadline for Questions/Requests for Additional Information (3:00 P.M.)
Monday, December 5, 2016	Responses due to Purchasing Department (2:00 P.M.)
Thursday, January 12, 2017	On site meeting/demonstration with finalists
Tuesday, February 14, 2017	City Council consideration of contract award
Monday, May 1, 2017	New Bank Depository Services Agreement period begins

APPLICATION REQUIREMENTS

One original (so marked) and three complete copies of the application, and one Flash Drive containing the completed MS-Excel Fee Schedule and a PDF of the complete application, sealed and clearly marked **“Primary Depository Bank Services Application – RFA # 17-001”**, shall be delivered to the Purchasing Manager by 2:00 P.M., on Monday, December 5, 2016 and addressed:

Purchasing Department
City of League City
300 W. Walker Street
League City, Texas 77573
(281) 554-1400

NO APPLICATION SHALL BE ACCEPTED AFTER 2:00 P.M. ON MONDAY, DECEMBER 5, 2016.

The applicant shall use this RFA as the Official Response Form. Submitted prices, rates, conditions, and answers shall be included in final contract form. The signed, submitted response must include printed copies of all completed worksheets and will be deemed the respondent’s official response. To reduce errors and increase the ease of both response and evaluation, the City is providing the RFA in a MS-Word format and Fee Schedule in MS-Excel format. The RFA is a protected Word document to enable the applicant to respond to the questions and incorporate comments into the RFA. The MS-Excel worksheet of the Fee Schedule is to provide unit prices for the bank service items listed and will be extended for the activity volume indicated for each item, to arrive at a total service cost.

It is this Excel fee schedule information and a PDF of the complete application that are required to be provided on a Flash Drive with the application.

BASIS OF AWARD

It is the intent of the City to award the Contract to the applicant(s) whose application provides the best value for the City. It shall be based on all factors, which have a bearing on price and performance of the items in the user environment. Compliance with all application requirements, delivery and needs of the using department are considerations in evaluating applications.

The City reserves the right to contact any applicant, at any time, to clarify, verify or request information regarding any application. Unless stipulated in the attached RFA, the contract will be awarded to the applicant who provides goods and services specified herein at the best value for the City in compliance with Chapter 105 of the Texas Local Government Code. The City reserves the right to waive any formality or irregularity, to make awards to more than one applicant, or to reject any or all applications.

Applicants must qualify under current Texas law as a state or national bank to serve as a municipal depository bank.

Transfer of funds will commence at such time the successful applicant has provided the City with all required forms and supplies necessary to insure uninterrupted day-to-day operations. The successful applicant commits its “best efforts” to complete the execution of documentation and transfer of funds by the May 1, 2017 contract period start date. Failure to complete by the start date, at the discretion of the City, could be considered grounds for alternative bank selection.

The successful applicant, upon termination of any agreement resulting from this RFA, shall cooperate with the City for transfer of funds.

All responses are subject to release as public information unless the response or specific parts of the response can be shown to be exempt from the Texas Public Information Act. Applicants are advised to consult with their legal counsel regarding disclosure issues and take the appropriate precautions to safeguard trade secrets or any other proprietary information. The City assumes no obligation or responsibility for asserting legal arguments on behalf of applicants. If an applicant believes that a response or parts of a response are confidential, then the applicant shall so specify. The applicant shall stamp in bold red letters the term "CONFIDENTIAL" on that part of the response which the applicant believes to be confidential. Vague and general claims as to confidentiality shall not be accepted. All responses and parts of responses that are not marked as confidential will be automatically considered public information. Notwithstanding, responses to this RFA shall be opened in a manner that avoids disclosure of the contents to competing applicants and keeps the responses secret during negotiations.

Any questions concerning this RFA must be directed in writing to:

Shawna Tubbs
Purchasing Manager
City of League City
300 W. Walker St.
League City, Texas 77573

Email: Shawna.Tubbs@LeagueCity.com

APPLICATION SUBMITTED BY

This Application is being submitted to the City by the following person duly authorized to act on behalf of this financial institution.

Name of Financial Institution

FDIC Certificate #

Address of Financial Institution

Telephone #

Email Address

Officer Name & Title (printed)

Officer Signature

Signature indicates respondent accepts the specifications, terms and conditions of this solicitation and that respondent is not delinquent on any payment due the City or involved in any lawsuit against the City.

Date:

CRITERIA FOR EVALUATION

The City shall carefully review the submitted applications. The evaluation of the applications will be based on, but not limited to, the following criteria with associated weights:

1. Financial strength and stability of the institution – 25 pts
2. Ability to perform and provide the required and requested services – 25 pts
3. Costs – 20 pts
 - Cost of services
 - Transition cost, retention and transition offers and incentives
 - Interest paid on interest bearing accounts and deposits
 - Earnings credit calculation on compensating balances
4. Completeness of application and agreement to points outlined in the RFA – 10 pts
5. Funds availability – 10 pts
6. References provided and quality of services – 10 pts

ACCOUNT ACTIVITIES

The City anticipates establishing an account configuration that consists of the following bank accounts:

- General Disbursement Account
- Grant Account
- SRL Grant Fund Account

The **General Disbursement Account** serves as the City's master operating account. It is a commercial checking account into which bank deposits are made, checks are drawn, wires and ACH transfers are received and initiated, returned checks and deposit corrections are posted, bank services account analysis fees are debited, and investment activity of purchases and sales are made.

The **Grant Account** is utilized to process grant disbursement activity.

The **SRL Grant Fund Account** is utilized to make electronic payments to select recipients related to the Severe Repetitive Loss Grant Program.

The activity for September 2016 with balance information for these accounts is tabulated in Exhibit 1 and Exhibit 2, and reflected on the Fee Schedule. Actual balances and transaction activity could vary significantly.

REQUIRED SERVICES

The following services are required to be provided as described and/or be provided in an alternative form that results in essentially the same outcome or capability.

1. **ONLINE BANKING SERVICES** – The City **requires** online banking services accessible through the internet that at a minimum include balance reporting, initiation of ACH debits and credits and wire transfers, interbank account transfers, and placement of stop payments on checks. Additional capabilities should include the ability to reprint statements and export information to MS-Excel. The minimum balance reporting information should be for intra-day and previous business day and include: ledger balance, collected balance, one-day float amount, two-day float amount, total credits, total debits, and detail debits and credits, and should allow transaction search capability. Historical information should be maintained online and accessible for a minimum of six months.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

2. **POSITIVE PAY**– The City **requires** positive pay on designated accounts from which checks are issued and full account reconciliation services on the General Disbursement Account. The City would electronically transmit the issued check file to the Bank. The Bank would only honor those checks issued by the City that are pre-authorized through the positive pay system. Payment verification criteria will be date, check number, amount, and **payee name**. Positive Pay files will be transmitted electronically.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

3. **REMOTE DEPOSIT CAPTURE** – The City is currently using a Canon CR-55 scanner and will **require** a comparable scanner for remote deposit capture services.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

4. **WIRE TRANSFERS** – The City **requires** an online banking system that provides for initiating wire transfers. Wires may be one time wires or set up as repetitive wires of varying amounts.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

5. **ACH** – The City **requires** a robust ACH system with the capability to create ACH credits for direct deposit of payroll and vendor payments, and to direct debit customer accounts for Utility Billing charges.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

6. **ACH DEBIT BLOCKING** – The City **requires** ACH debit blocking capabilities on its accounts, with the ability to selectively permit specified ACH debits on certain accounts and restrict all ACH debits from certain accounts.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

7. POST NO CHECKS – The City **requires** the fraud protection feature or service that prevents checks from being posted to designated electronic-only accounts.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

8. FUND AVAILABILITY – The City **requires**, at a minimum, same day credit for all transactions submitted before 4:00 P.M., subject to the bank’s availability schedule.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

9. EMPLOYEE CHECK CASHING – The City **requires** the bank to cash checks issued to employees (with proper identification) without service charges or fees to the employee or the City and without requiring the employee to open an account with the bank.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

10. RETURNED CHECK REPROCESSING – The City **requires** deposited checks to be processed for collection at least twice before making non-paid checks available for pick-up by the City within two business days of the final rejected presentment. The City **requires** same day notification of all returned items in excess of \$5,000.00.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

11. ACCOUNT ANALYSIS – The City **requires** account analysis statements by individual account and at group level, which will reflect average ledger balance, average uncollected funds, average collected balance, reserve requirement, average available balance, rate and amount of earnings credit, detail of services provided with quantities and unit fees for each, and total service cost, delivered to the City on a monthly basis. **This is also a requirement for “No Fee” or “Fee Waiver” applications.**

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

12. BANK STATEMENTS – The City **requires** that Statements be rendered within five (5) working days after the close of the calendar month. Accounts shall not be placed in dormant mode for inactivity. The statement shall include debits and credits made on the last day of the period and the detail items. Bank statements should be received monthly, even if there is no activity for the account.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

13. PAYMENT FOR SERVICES – The City **intends** to pay for all services provided by the earnings credit amount generated by account balances, or by direct payment, or a combination of both.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

14. ACCOUNT SETTLEMENT – Settlement of the excess/deficient condition as reflected by the group level account analysis is **required** to occur on a **quarterly** basis. If deficient, settlement is to be made by direct debit to the City’s General Disbursement Account.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

15. RESEARCH – The City **requires** that all research requests are responded to within three business days of the request.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

16. BANK ERRORS – Bank errors resulting in lost interest to the City will be reimbursed by the Bank to the City. The Bank and the City will agree upon the method of reimbursement.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

17. SWEEP/INVESTMENT ACCOUNT - Please provide a description of the bank’s best “hard dollar” interest earning option. If a sweep option is proposed, confirm its compliance with Local Government Code Chapter 2256, the “Public Funds Investment Act”, and the City’s Investment Policy.

☐ Yes, can provide.

☐ No, cannot provide.

Comment:

18. AUDIT CONFIRMATIONS – Bank will provide account balance audit confirmations to the City’s audit firm annually at no charge.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

19. BALANCE ASSESSMENT – State how the Bank will treat the FDIC Insurance Assessment on balances: (**Also, please reflect treatment on the attached Fee Schedule**)

☐ Fees to be waived.

☐ Fees to be partially waived.

☐ Fee to be passed in full to the City.

Comment:

20. RESERVE REQUIREMENT – State whether or not the Bank imposes a reserve requirement on balances used in calculating earnings credit.

☐ Yes.

☐ No.

Reserve Requirement %

Comment:

21. EARNINGS CREDIT RATE – Applicant must state the ECR being proposed.

ECR %

Comment:

SERVICES THAT MAY BE CONSIDERED

The following services may be considered; please indicate the Bank's ability to provide the services as described and the associated set-up, maintenance and/or per item processing charges:

1. **ONLINE PAYMENTS ACCEPTANCE** – The City is interested in exploring options and capabilities for accepting payments for an expanded scope of services through an online interactive facility that would include payments by credit card, direct debit, funds transfer, etc. A function of the system would be the preparation of the accompanying remittance information.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

2. **CONTROLLED DISBURSEMENT** – The City **may consider** controlled disbursement accounts for disbursements. The General Disbursement Account is the funding account for the CDA.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

3. **ZERO BALANCE ACCOUNTS** – The City **may consider** a zero balance account for its Grant Account. The bank teller function must identify the accounts as a ZBA to ensure presentments made at the bank are honored.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

4. **CONSUMER BILL PAY PROCESSING** – The City **may consider** consumer bill pay processing (sometimes referred to E-Lockbox) for receipts of utility and other payments generated from personal customer bank bill pay programs. Daily, the remittance data and payment amount captured during processing would be transmitted to the City for the update of the accounts receivable file.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

5. **PAYROLL CARDS** – The City **may consider** the use of Payroll Cards for compensating employees that utilize this form of payment.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

6. **BANK PROVIDED ATM** – The City may consider installation of a bank provided ATM for employee and public use.

☐ Yes, can provide. ☐ No, cannot provide.

Comment:

7. **PROCUREMENT CARD** – The City currently utilizes a procurement card program. While Procurement Card services are outside of the scope of this depository RFA solicitation, please

provide detailed information about your Bank's ability and interest in providing a Procurement Card program.

☐ Yes, can provide as requested/required.

☐ No, cannot provide as requested/required.

Comment:

8. COURIER SERVICE – The City may utilize a courier service to send deposits to the financial institution. Can the applicant provide this service and, if so, how would it be billed?

☐ Fees to be waived.

☐ Fees to be partially waived; billed through analysis.

☐ Fee to be passed in full to the City; billed through analysis.

☐ Cannot Provide.

Comment:

DEPOSIT PROCEDURES

In lieu of utilizing the services of a courier a City employee currently makes a daily CASH/CURRENCY deposit at the local bank branch.

Please describe the banks policy/procedure for making daily commercial deposits at the bank, the use of the night deposit drop box and teller services.

Comment:

COLLATERAL REQUIREMENTS

1. **COLLATERALIZATION** – The successful applicant shall pledge collateral to satisfy the requirements of the Public Funds Collateral Act, Chapter 2257, Texas Government Code, and the City’s Investment Policy. **Ledger balance** shall determine the total balance level. The successful applicant shall pledge collateral equal to or more than the required level on a **same day basis**.

The City shall approve, in advance and in writing, all proposed collateral.

If **prior day ending balance** is to be used as the basis for calculating the required collateral pledge, in order to minimize any period where the City balances could be under collateralized, the City will require that the pledged amount be maintained at 110% of the **prior day ending ledger balance**.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

2. **COLLATERAL MONITORING** –The successful applicant must monitor the collateral adequacy on a daily basis, applicant shall provide additional collateral as necessary, to secure balances as required by Code or City’s Investment Policy.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

3. **PLEDGED COLLATERAL CUSTODY AND SAFEKEEPING** – The pledged securities shall be held in safekeeping at an independent custodian acceptable to both the City and the successful applicant. The original copy of all pledge receipts shall be filed with the City’s Assistant Director of Finance. Applicant must provide the name of the proposed independent custodian as well as any related fees.

Name of Proposed Custodian:

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

4. **COLLATERAL SUBSTITUTION** – Any substitutions of the pledged securities will be performed as provided for in the City’s Investment Policy.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

5. **REDUCTION AND RELEASE OF PLEDGED COLLATERAL** – Any reductions in the total amount of pledged collateral shall be pre-approved, in writing, by an authorized signatory of the City.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

6. COLLATERAL REPORT – The successful applicant and the custodial bank shall provide City a monthly pledged securities report and additional reports as requested by City. The report must describe the total pledged securities by:

Name
Type / Description
CUSIP
Par Value
Current Face Value
Market Value
Maturity Date

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

7. FIRREA COMPLIANT BOARD RESOLUTION – The Board of Directors or designated committee of the successful applicant, shall be required to provide a Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (“FIRREA”) compliant resolution of certification, approving the award of the agreement and commitment for delivery of the collateral, to the custodian, not later than five days before the commencement of services. The following is an extract of the FIRREA requirement from the Federal Deposit Insurance Corporation (“FDIC”) Code:

e) AGREEMENTS AGAINST INTERESTS OF CORPORATION.--

(1) IN GENERAL.--No agreement which tends to diminish or defeat the interest of the Corporation in any asset acquired by it under this section or section 11, either as security for a loan or by purchase or as receiver of any insured depository institution, shall be valid against the Corporation unless such agreement--

(A) is in writing,

(B) was executed by the depository institution and any person claiming an adverse interest thereunder, including the obligor, contemporaneously with the acquisition of the asset by the depository institution,

(C) was approved by the board of directors of the depository institution or its loan committee, which approval shall be reflected in the minutes of said board or committee, and

(D) has been, continuously from the time of its execution, an official record of the depository institution

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

INVESTMENT ACTIVITIES

The Public Funds Investment Act, in conjunction with the City's Investment Policy, shall govern the City's investment activity and the successful applicant shall be required to provide services within the constraints of both. Applicants must complete the attached PFIA Certification that acknowledges that they have reviewed the City's Investment Policy.

1. **DIRECT INVESTMENT ALTERNATIVE** – The City's direct investment activities may take place in any and all of the City accounts. The City shall have the right, at its sole discretion, to direct investment of its funds. Interest earnings on interest bearing accounts shall be credited monthly regardless of the amount, with no minimum amount restriction. The Investment Policy outlines the City's options for investing. The Investment Policy is subject to annual review and revision by the City Council.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

2. **CERTIFICATES OF DEPOSIT** – Certificates of Deposit ("CDs") purchased for the City shall be non-negotiable and shall be registered in the name of the City. The CDs will be insured within FDIC insurance limits, or collateralized in accordance with the RFA requirements. Proof of collateral in excess of FDIC insurance limits must be supplied to the City prior to CD settlement.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

3. **SECURITIES CLEARING, SAFEKEEPING AND CUSTODY SERVICES** – The City **requires** that the bank provide safekeeping services for the securities owned by the City. All securities will be handled on a delivery versus payment ("DVP") basis as they are cleared into and out of the City's account.

The bank must act as securities clearing agent for all security purchases made by the City and for sales of securities from the investment portfolio, and will provide the necessary wire transfer and physical delivery services required to support investment activities. Necessary controls will be negotiated with the Bank. Confirmation of trades must be provided to the City within one (1) business day.

The bank must provide safekeeping services for all securities owned/purchased during the term of the depository agreement pursuant to a "Custodial Agent Agreement" executed between the City and the bank. Safekeeping receipts for all security purchases must be issued within two (2) business days. All interest payments on securities held must be posted on the due date or on the next business day in the event the due date falls on a weekend or bank holiday. The City must be notified (timing of notice?) of any securities called prior to maturity.

The City **requires** a web-based safekeeping transaction monitoring and reporting mechanism.

All fees related to investment services provided by the bank, including safekeeping services, must be itemized and included on the Bank Services Fee Schedule submitted in response to this RFA.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

4. INVESTMENT ACCOUNT - Applicants must provide a description of the bank's best "hard dollar" interest earning option. If a sweep option is proposed, applicant must confirm its compliance with Local Government Code Chapter 2256, the "Public Funds Investment Act" ("PFIA"), and the City's Investment Policy.

☐ Yes, can provide.

☐ No, cannot provide.

Comment:

OVERDRAFT PROVISIONS

1. NET OVERDRAFT DEFINED – The City does not intend to have a net overdraft position occur during the course of the agreement period. A net overdraft shall be defined as a negative balance in the City's accounts **collectively**, not by individual account.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

2. NOTIFICATION – In the event a check or checks shall be presented for payment where there are insufficient funds in City's collective accounts, the successful applicant agrees to promptly notify the City's Assistant Director of Finance or other signatory person, by telephone or email, of the overdraft condition, and to provide the City a period not less than one business day to respond and rectify the condition.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

3. STIPULATIONS – Should a net overdraft condition occur; the following shall apply:

Maximum number of banking days the overdraft shall be allowed:

Maximum amount of the overdraft: \$

Interest rate per annum computed on the overdraft: %

Comment:

OTHER STIPULATIONS

1. REGULATION NOTIFICATIONS – The successful applicant shall notify the City in writing within thirty (30) days of any changes in Federal or State regulations or laws that would affect the agreement.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

2. INCOMING WIRE TRANSFERS - Notification of incoming wire transfers shall be made by telephone, fax, or email to the City's Assistant Director of Finance within one hour of the transaction and a written confirmation mailed to the City the same day of the transaction.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

3. RIGHT TO CANCEL UNDER FEDERAL OR STATE LAW RULINGS – In the event it would be ruled illegal under the provisions of any Federal or State laws or regulations for the successful applicant to comply with the requirements of the agreement, then the City expressly reserves the right and privilege to cancel the agreement and to re-solicit applications.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

4. ACCESS TO BANK RECORDS – The successful applicant's records relating to the City's accounts shall be open for review during normal business hours by designated City staff members or appointed independent auditors.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

5. RIGHT TO OPEN & MAINTAIN OTHER ACCOUNTS – The City reserves the right to open and maintain one or more demand accounts at financial institutions not affiliated with the successful applicant.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

6. SECONDARY DEPOSITORY BANK – As a component of its disaster recovery plan, the City would consider maintaining a contractual agreement for a secondary Depository Bank relationship should an event occur that makes the primary bank depository inaccessible to it. Depending on the outcome of this solicitation for a primary bank depository relationship, would the Bank consider entering into this secondary relationship?

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

7. **RIGHT TO TERMINATE** – The City expressly reserves the right to terminate the agreement with or without cause at any time by providing ninety (90) days written notice to the successful applicant to close its accounts.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

8. **TERMS FIXED** – All fees, rates, and conditions shall be fixed for the entire agreement period, including any and all continuations.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

9. **ONE RELATIONSHIP OFFICER** – The City requests **one** relationship manager to coordinate the successful applicant's efforts and remain directly responsible for facilitating all City/applicant interaction:

Description	Name	Title	Phone
Relationship Officer			

10. **OFFICER RESUMES** – Please provide a brief resume of the principal individuals with whom the City will be interacting at the bank.

MISCELLANEOUS

1. SEMI-ANNUAL MEETING – The City shall require a review meeting at least once every six months to evaluate the working relationship between the City and the successful applicant. The objective shall be to address any problems and to seek solutions, as well as keeping abreast of changes, new services, or new requirements.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

2. FORMAL AGREEMENT REQUIRED – The final appointment of the successful applicant shall be made by League City's City Council. The successful applicant shall be required to enter into an agreement that incorporates all of the requirements of applicant's official response to this RFA, along with the accompanying related schedules and materials as called for in this RFA. Required attachments include: collateral custodial agreement, FIRREA bank certification, and PFIA investment provider certification.

☐ Yes, can provide as requested/required. ☐ No, cannot provide as requested/required.

Comment:

This Request for Application is being offered by the following person duly authorized to act on behalf of the City.

Rebecca Underhill,
Assistant City Manager/Director of Finance

EXHIBIT 1

BANK TRANSACTIONS BY ACCOUNT

Transactions from September 2016 Bank Statements

	BEGINNING	CREDITS		DEBITS		INTEREST	ENDING
DESCRIPTION	BALANCE	NUMBER	AMOUNT	NUMBER	AMOUNT	PAID	BALANCE
General Disbursement Account	\$44,976	499	\$62,349,421	450	\$62,320,901	-	\$73,495
Grant Account	-	3	4,892	2	4,892	-	-
SRL Grant Fund Account	117,737	0	0	1	37,063	-	80,674
TOTAL	\$162,713	502	\$62,354,313	453	\$62,362,857	\$0	\$154,169
Sweep/Repo Account	2,961,351						3,999,920
TOTAL W/REPO	\$3,124,063						\$4,154,089

EXHIBIT 2

ACCOUNT ANALYSIS SUMMARY

Bank Account Analysis Summary					
Oct 2015 – Sep 2016					
Period	Avg Ledger	Less Avg Float	Avg Collected	Sweep/Repo	
Oct-15	1,085,792	(187,644)	898,149	1,426,016	
Nov-15	770,471	(105,704)	664,767	3,074,231	
Dec-15	679,503	(190,017)	489,486	2,459,896	
Jan-16	588,628	(160,462)	428,165	2,334,872	
Feb-16	470,912	(109,654)	361,258	3,344,843	
Mar-16	351,733	(149,408)	202,325	3,610,556	
Apr-16	388,048	(234,350)	153,698	3,391,130	
May-16	240,074	(84,927)	155,146	2,495,118	
Jun-16	219,354	(95,066)	124,288	2,669,306	
Jul-16	300,862	(182,746)	118,116	1,375,622	
Aug-16	208,587	(90,706)	117,881	2,961,351	
Sep-16	183,305	(80,229)	103,076	3,999,920	
Total	\$ 5,487,269	\$ (1,670,914)	\$ 3,816,355	\$ 33,142,861	
Average	\$ 457,272	\$ (139,243)	\$ 318,030	\$ 2,761,905	

EXHIBIT 3

SAMPLE BANK DEPOSITORY SERVICES AGREEMENT

THIS BANK DEPOSITORY SERVICES AGREEMENT hereinafter called the “Agreement”, is made and entered into on the date last herein written by and between the City of League City, Texas, hereinafter called the “City”, and _____ a banking association, organized under the law of the United States and authorized by law to do banking business in the State of Texas, hereinafter called the “Bank”, and provides as follows:

1. **Designation of Depository.** The City, through action of the City Council, on February 14, 2017, hereby designates Bank as a primary depository bank for the period beginning May 1, 2017, and **continuing** through April 30, 2020, with the option for two (2) one-year extensions under the same terms and conditions.

2. **General.** All services rendered to City by Bank under this Agreement shall be performed in accordance with accepted commercial banking standards for public fund organizations and under the overall direction and instructions of City pursuant to Bank’s standard operations, policies, and procedures.

3. **Scope of Services.** Bank agrees to provide those services as described in the City of League City Request for Application for Bank Depository Services released on November 7, 2016 hereinafter referred to as the “RFA”. The RFA and Bank’s response to the RFA, hereinafter referred to as the “Application”, are incorporated herein by reference. Bank acknowledges that all services performed by Bank are subject to the approval of City.

4. **City Representatives.** During the term of this Agreement, City will, through appropriate action of its City Council, designate the officer, or officers, who singly or jointly will be authorized to represent and act on behalf of City in any and all matters of every kind arising under this Agreement and to (a) appoint and designate, from time to time, a person or persons who may request withdrawals, orders for payment or transfer on behalf of City in accordance with the electronic funds or funds transfer agreement and addenda, and (b) make withdrawals or transfer by written instrument.

5. **Custodian.** City and Bank, by execution of this Agreement, hereby designate _____ as custodian, hereinafter called “Custodian”, to hold in trust, according to the terms and conditions of this Agreement, the collateral described and pledged by Bank in accordance with the provisions of this Agreement.

6. **Custodian Fees.** Any and all fees associated with Custodian’s holding of collateral for the benefit of City will be paid by Bank and City will have no liability therefore.

7. **Entire Agreement.** The entire agreement between Bank and City shall consist of this Agreement, City’s RFA (except to the extent Bank took specific exceptions in the Bank’s Application), Bank’s Application, the Custodial Agreement with Custodian, and other such bank service agreements, policies and documents as may be required and approved by the parties (together, the “Banking Agreements”), each incorporated by reference as they presently exist and each listed in governing order of precedence in the event of conflict among the documents. This Agreement supersedes any and all prior representations, statements, and agreements, whether written or oral. The terms and provisions of this Agreement may not be amended, altered, or waived except by mutual agreement evidenced by a written instrument signed by duly authorized representatives of both parties.

8. **Collateralization.** All funds on deposit with Bank to the credit of City shall be secured by collateral as provided for in the Public Funds Investment Act (Chapter 2256 of the Texas Government Code as amended), the Public Funds Collateral Act (Chapter 2257 of the Texas Government Code), City's Investment Policy, and Bank's Application.

If marketable securities are pledged, the total market value of the securities securing such deposits will be in an amount at least equal to the minimum required amount as per City's Investment Policy. The market value of any pledged securities (collateral) will be obtained from non-Bank-affiliated sources. Bank will monitor and maintain the required collateral margins and levels at all times.

Bank has heretofore, or will immediately hereafter, deliver to Custodian collateral of the kind and character above mentioned of sufficient amount and market value to provide adequate collateral for the funds of City deposited with Bank. Custodian will accept said collateral and hold the same in trust for the purposes herein stated. Said collateral or substitute collateral, as hereinafter provided for, shall be kept and retained by Custodian in trust so long as deposits of City remain with Bank. Bank hereby grants a security interest in such collateral to City.

If at any time the collateral in the hands of Custodian shall have a market value in excess of the required balances, City may authorize the withdrawal of a specified amount of collateral, and Custodian shall deliver this amount of collateral (and no more) to Bank.

If surety bonds or letters of credit are utilized, City shall agree as to the issuer and form of contract prior to the pledge. The amount of surety bonds or letters of credit will be at least equal to the minimum required amount as per City's Investment Policy. The termination or expiration of any surety bond or letter of credit shall be a minimum of two (2) business days after City anticipates withdrawing the secured deposit.

9. **Successors.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Whenever a reference is made herein to either party, such reference shall include the party's successors and assigns.

10. **Compensation.** City and Bank agree that any compensation for the performance of all duties and services is set forth in the Application accepted by City. Except as may otherwise be provided in the Banking Agreements, said compensation shall constitute full payment for all services, liaison, products, materials, and equipment required to provide the professional banking services, including services, materials, training, equipment, travel, overhead, and expenses. Fees shall be fixed for the term of the Banking Agreements, including all extensions.

11. **Consideration.** The Banking Agreements are executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

12. **Counterparts.** The Banking Agreements may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. A facsimile signature will also be deemed to constitute an original if properly executed.

13. **Authority to Execute.** The individuals executing the Banking Agreements on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing the Banking Agreements to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute the Banking Agreements in order for the same to be an authorized and binding on the party for whom the individual is signing and that each individual affixing his or her signature hereto is authorized to do so.

14. **Governing Law and Venue.** This Agreement shall be governed by the laws of the State of Texas. Galveston County will be the venue for any lawsuit arising out of this Agreement.

15. **Notices.** Except as may otherwise be specified in the applicable service-level agreements and/or set-up forms, any demand, notice, request, instruction, designation, or other communication(s) required in writing under this Agreement shall be personally delivered or sent certified mail, return receipt requested, to the other party as follows:

Bank: _____,

_____, _____

City: Rebecca Underhill, Assistant City Manager/Director of Finance
City of League City
300 W. Walker Street
League City, Texas 77573

Changes to notice information may be made by either party with written notification to the other party.

16. **Severability.** If any provision of this Agreement is held to be illegal, invalid, or unenforceable by a court of competent jurisdiction, the parties, shall, if possible, agree on a legal, valid, and enforceable substitute provision that is as similar in effect to the illegal, invalid, or unenforceable provision as possible. The remaining portion of the Agreement not declared illegal, invalid, or unenforceable shall remain valid and in full force and effect for the term remaining.

17. **Binding Commitment.** Bank hereby acknowledges itself duly and firmly bound for the faithful performance of all the duties and obligations required by applicable law, including the Government Code and Local Government Code, such that all funds deposited with it as depository shall be faithfully kept by it and accounted for according to law.

18. **Continuation.** Unless this Agreement is terminated sooner, Bank's designation as the primary City Depository will remain continuously in effect through April 30, 2020, subject to execution of the extension options.

Executed by the undersigned duly authorized officers of the parties hereto:

CITY OF LEAGUE CITY, TX

By: _____
Name: _____
Title: _____
Date: _____

ATTEST:
By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____
Date: _____

ATTEST:
By: _____
Name: _____
Title: _____

FEE SCHEDULE

SCHEDULE 1 - FEE SCHEDULE Based on Sep 2016 Transaction Volumes With Estimates				
Please include Unit Price for each item listed even if NO ACTIVITY is shown. Also, highlight any changes to descriptions or measurement units in both the written and electronic responses.				
Service	AFP Service Code	Monthly # Of Units	Monthly Unit Price	Estimated Monthly Charge For Service

Premium Assessment Fee

Premium Assessment Fee	000230	183,304	-	-
------------------------	--------	---------	---	---

Account Services

Account Maintenance	010000	3	-	-
Debit Posted - Electronic	010100	124	-	-
Credit Posted - Electronic	010101	404	-	-
Statement Cycles	010307	1	-	-
Statement Cycles - Enhanced	010307	1	-	-
Account Statement - Paper	010310	1	-	-
Post No Checks Maintenance	1500ZZ	1	-	-

Investment Services

Investment Sweep - Maintenance	450020	1	-	-
--------------------------------	--------	---	---	---

Banking Center Services

Branch Credits Posted	100000	56	-	-
Branch Deposit - Immediate Verification	100000	0	-	-
Branch Deposit - Post Verification	100007	144,190	-	-
Branch Order Currency Strap	10004A	4	-	-
Branch Order Processed	100040	2	-	-
Branch Deposit Adjustment	100500	0	-	-

Depository Services

Credits Posted	010101	21	-	-
On-Us Standard	999999	61	-	-
File Transmission Received - VPN	999999	21	-	-
On-Us Premium	999999	758	-	-
Image Group One	999999	2249	-	-
Image Group Two	999999	871	-	-
Image Group Two - Tier 2	999999	1798	-	-

Check Deposited - On Us	100220	25	-	-
Check Deposited - Transit	100224	191	-	-
Return Item	100400	7	-	-
Return Alternative Address	100401	7	-	-
Return Item Redeposit	100402	11	-	-
Image Quality Suspect Items	999999	7	-	-

Disbursement Services

Check/Debit Posted	010100	321	-	-
Exception Notification - Account	150721	2	-	-
Check Cashing Non-Account Holder	150501	1	-	-
Imaging Maintenance	151350	1	-	-
Check Inquiry Maintenance	151710	3	-	-
Paper Check Return	159999	321	-	-
Image Retrieval Per Retrieve	151352	0	-	-
Reconciliation Report/Statement Maintenance	200306	1	-	-
Data Download	200201	2	-	-

Reconciliation Services

Positive Pay Maintenance	150030	2		
Positive Pay No Recognition - Maintenance	150030	1		
Payee Name Verification	150122	321		
ARP Shipping Prep Fee	1512ZZ	1		
Image Capture Per Item	151351	426		
Partial Reconciliation - Maintenance	200020	1		
Partial Reconciliation - Per Item	200120	321		
Output File	200301	1		

Wire - U.S.

Electronic Fed Debit S/T	350104	4	-	-
FED Credit S/T	350124	3	-	-
Book Credit	350320	2	-	-
Unexecuted Payment	350300	1	-	-

Automated Clearing House

Transaction Review Maintenance	250000	2	-	-
JPM Access Maintenance	250000	3		
Debit Originated - Access	250100	7,833	-	-
Credit Originated - Access	250101	2,106	-	-
Addenda Record Originated	250120	108	-	-
Debit Received	250200	82	-	-

Credit Received	250201	365	-	-
Return Item	250302	25	-	-
Return Item Redeposit	250310	41	-	-
Return Notification - Online	250400	25	-	-
Notification of Change - Online	250400	5	-	-
Debit Block Maintenance	251050	3	-	-
ACH ADA Authorized ID	251051	23	-	-
Notification of Change	251070	5	-	-

JPMorgan Access

Accounts Reported	40044Z	3	-	-
Monthly Service	400610	1	-	-
Transaction Reported - 45 Day	40066Z	997	-	-
Extended Transaction Detail	40066Z	4,236	-	-

Remote Deposit Capture

Maintenance	1	-	-
Per Item		-	-
Monthly Equipment Fee		-	-

Other Monthly

Collateral Fee (max. balances)		-	-
Collateral Account Maintenance		-	-

Security Clearance/Safekeeping

Security Clearance Charges/Trade		-	-
Security Clearance Charges/Trade/Fed		-	-
Security Clearance/Trade/DTC		-	-
Safekeeping Charges/Month		-	-
Safekeeping Charges/Security/Month/Fed		-	-
Safekeeping Charges/Security/Month/DTC		-	-

Monthly Total Estimated Fees (ex. One time charges)

-

Other

Night Depository Bags (one time charge)			-
Large Safe Deposit Box (annual charge)			-
Small Safe Deposit Box (annual charge)			-
Endorsement Stamps (one time charge)			-
Checks & Deposit Slips			-
ACH Software Charge			-
CD-ROM Software Charge			-

Other Fees for Contract term (including one time charges)	-
--	---

Collected Balances/Earnings Credit

Formula		
Current Rate	<u>0.000%</u>	
Average Collected Balance	<u>3,100,000</u>	
Less Reserve Requirement	<u></u>	
Investable Balance	<u>3,100,000</u>	
Estimated Earnings Credit per Month	<u>-</u>	<u>-</u>

Checking/Sweep Account Interest Rate

Formula		
Current Rate	<u>0.000%</u>	
Average Collected Balance	<u>3,100,000</u>	
Estimated Monthly Earnings	<u>-</u>	
Less Sweep Fee	<u></u>	
Net Estimated Monthly Earnings	<u>-</u>	<u>-</u>

RESPONSE ATTACHMENTS

(PLEASE ATTACH IN THE ORDER LISTED)

1. ACCOUNT ANALYSIS – A **pro-forma** account analysis statement using your format & service descriptions that reflect your proposed fees based on the volumes provided in this RFA and indicate any capability to provide the information electronically.
2. RATE BASIS – Explanation of the institution's policy and methodology used in setting rates paid on interest bearing accounts and account analysis earnings credit. Indicate if they are based on a market rate such as T-Bill discount or yield rate, or the Federal Funds rate, etc., and when the rates are changed. Also, please provide a historical schedule of rates paid.
3. SAMPLE COLLATERAL AGREEMENT.
4. SECURITY MEASURES – Information describing the institution's security measures to prevent fraud and unauthorized electronic and non-electronic transfers, and protect the integrity of computer banking services and internal computer systems.
5. TECHNOLOGY SPECIFICATIONS – Technology specifications for use of all proposed electronic systems and services.
6. SAMPLE SAFEKEEPING REPORT – Sample safekeeping report of the City owned securities that the City will receive monthly.
7. SECURITIES SAFEKEEPING FEES – Schedule of Securities Safekeeping Fees.
8. SWEEP / INVESTMENT ACCOUNT INFORMATION – Information on the sweep account or investment account recommended for use by the City. Provide information for the Bank's most attractive interest yielding option.
9. SUMMARY BUSINESS CONTINUITY PLAN – Summary of the institution's business continuation plans as they pertain to the City's ability to perform normal banking functions during natural and un-natural bank operation disruptions, including a Statement of Commitment to provide the City continuous and ongoing bank depository services to the best of the financial institution's ability.
10. REFERENCES – List of at least three (3) comparable references and current Texas public funds clients, with total number of collateralized Texas public fund clients.
11. SAMPLE FIRREA COMPLIANT DOCUMENT. A sample copy of the Bank's document that clearly shows that the Bank's Board or designated committee has accepted the depository contract and authorized the pledge of collateral, with a permanent record of this action to be maintained in the minutes of the Bank.
12. BANK SERVICES AGREEMENTS. Please attach copies of all bank services agreements (i.e., Funds Transfer Agreement, ACH Agreement, Information Reporting Agreement, etc.)
13. INVESTMENT POLICY AFFIDAVIT. Signed copy of the Investment Policy Affidavit.

INVESTMENT POLICY AFFIDAVIT

CITY OF LEAGUE CITY INVESTMENT POLICY AFFIDAVIT

Name of Organization: _____

Address: _____

Telephone #: _____

Fax #: _____

Email: _____

I hereby certify that I am the qualified representative as defined in Section 2256.002(10) of the Act of the above named business organization seeking to sell an authorized investment to the City of League City, Texas.

I have received and have thoroughly reviewed the City of League City Investment Policy.

I acknowledge that the above named business organization of which I am a qualified representative has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City of League City and the organization that are not authorized by the entity's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards.

I acknowledge that this instrument is transacted to comply with Chapter 2256, Government Code.

Signed this _____ day of 20_____

Name: _____

Title: _____

INVESTMENT POLICY



Investment Policy.pdf