



Agenda Item:

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COUNCIL COMMUNICATION

City Manager's Office

GENERAL INFORMATION

Agenda Date: 08/08/05
Agenda Item Type: Resolution

Communication No.: 05-431
Roll Call No.:

Submitted by: Merrill Stanley, Finance Director

SUBJECT—

Selection of Bankers Trust Company (453 7th Street, J. Michael Earley, President and CEO) as the City's provider of Banking Services.

SYNOPSIS—

This action approves the selection of Bankers Trust Company to provide banking services for three years with an option for a three-year renewal. The selection is made following a competitive RFP process that received proposals from six local banks.

FISCAL IMPACT—

Annual bank service fees estimated to be \$55,202. Funding is available in Fund GE001, Org Code FIN280000, Account 527800.

RECOMMENDATION—

Approval

BACKGROUND—

On March 28, 2005, the City Council approved the issuance of a Request for Proposals (RFP) for Banking Services (Roll Call No. 05-735). The RFP was sent to 12 banking institutions, all with a presence in Des Moines. A mandatory pre-proposal conference held on April 26, 2005, was attended by eight banks. Proposals were received on May 16, 2005 from six banks.

Banking services to be provided will include the custody and safekeeping of city funds in checking and savings accounts, Automated Clearing House and wire transfer services, account balance information and reporting, parking meter coin processing, and lockbox processing for Municipal Housing rent and ambulance collections. In conjunction with services provided to the City, banking services will also be provided under this agreement to the Municipal Housing Authority, and the Wastewater Reclamation Authority pursuant to the City/WRA Operating Contract.

Two committees evaluated the proposals. The Community Investment Committee reviewed the Community Investment component, which comprised 25% of the total scoring. The members of this committee were appointed by Mayor Cownie on May 23, 2005 (Roll Call No. 05-1256), and included three Des Moines citizens: Roger Brooks, Brenda LaBlanc, and Malabika Shaw.

A second committee, made up of staff members included Merrill Stanley - Finance Director, Tim McCarthy - Deputy Controller, Heide Green - Treasury Manager, and Doug Romig - Parks and Recreation Services Manager. This committee evaluated the banks for the remaining 75% of the total scoring. Scoring components consisted of:

Availability and quality of services	30 points
Bank stability	5 points
Technology	5 points
Pricing	30 points
Cost of conversion and implementation	5 points

The staff committee based their scoring on a review of written proposals and on-site visits with the two banks receiving the highest scores from written reviews, Bankers Trust and US Bank.

The final composite scores for each bank were as follows:

<u>Bank</u>	<u>Community Investment</u>	<u>Banking Services</u>	<u>Total</u>
Bankers Trust	24	75	99
US Bank	20	73	93
Bank of America	16	69	85
Commercial Federal	17	65	82
First American	11	63	74
Wells Fargo	12	58	70