



Council Communication

Office of the City Manager

Date:	July 25, 2011
Agenda Item No.	47
Roll Call No.	<u>11-1325</u>
Communication No.	<u>11-503</u>
Submitted by:	Scott E. Sanders, Finance Director

AGENDA HEADING:

Approving the selection of Bankers Trust Company to provide banking services and authorizing the City Manager to negotiate the contract.

SYNOPSIS:

Approving the selection of Bankers Trust Company to provide banking services for a three-year period, with an option for an additional three-year extension, and authorizing the City Manager to negotiate the contract.

FISCAL IMPACT:

Amount: Estimated annual banking service fees: \$56,900. All three bids came in higher than the current budget of about \$40,000, reflecting the banking industry's shift to higher fees.

Funding Source: Banking service fees are charged to all fund accounts that utilize banking services and/or earn interest, including Enterprise Funds, the Airport and the Wastewater Reclamation Authority (WRA). The majority of fees are charged to Finance Department, Treasury, GE001, FIN280000, 527800.

ADDITIONAL INFORMATION:

The City issued a Request for Proposal (RFP) for banking services and sent a copy directly to 11 of the larger banks that have a presence in the metropolitan area. A scoring process was established to identify the best provider of banking services as it relates to city business. Seven categories were identified with the maximum total score being 101 points. (see chart that follows) The proposal that best addressed the expectations of the City in each category received the corresponding maximum points. If no distinction could be made, multiple proposals received the maximum points for a category. The committee reviewing the proposals was led by the Finance Director and included the Treasury Manager and Traffic Facility Administrator.

Three banks submitted responses and all three received high initial scores allowing for all of them to be interviewed. Presentations by the banks made it clear all three were capable of providing excellent banking services to the City. The Community Investment category measured the banks' commitment to local borrowing and community service. All three of the banks that responded have attained the highest rating by the FDIC, in accordance with the Community Reinvestment Act. However, Bankers Trust Company distinguished themselves with the lowest price and their extensive local banking presence, including their headquarters in Des Moines.

EVALUATION SHEET				
7/12/2011				
CATEGORY	MAXIMUM SCORE	BANKERS TRUST SCORE	WELLS FARGO SCORE	US BANK SCORE
Provide Scope of Service	35	35	35	32
Pricing	30	30	29.88	27.70
Community Investment	20	20	20	20
Bank Stability (financial and organizational)	5	5	5	5
Technology/Innovation	5	5	5	4
Cost of Conversion and Implementation	5	5	5	4
Local Preference (Banking Headquarters)	1	1	0	0
TOTAL	101.00	101.00	99.88	92.70

PREVIOUS COUNCIL ACTION(S): NONE

Date: August 8, 2005

Roll Call Number: 05-1974

Action: Banking and Custodial Services Contract with Bankers Trust Company. (Council Communication No. 05-431) Moved by Vlassis to adopt. Motion carried 5-1.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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