



LEON COUNTY, TEXAS

INVITATION TO BID

BID TITLE:

BANK DEPOSITORY CONTRACT

BID NUMBER: IFB 2019-214

Pre-Bid Conference: April 24, 2019, 11:00 a.m.

Bid Due Date: May 7, 2019, 10:00 a.m.

Bid Opening Date: May 7, 2019, 10:15 a.m.

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INSTRUCTIONS TO BIDDERS:

Bid Title.....Bank Depository Contract
Bid Number.....IFB 2019-214
Bid Due Date.....Tuesday, May 7, 2019, 10:00 a.m.
Bid Opening Date.....Tuesday, May 7, 2019, 10:15 a.m.
Contact Person.....Brandi Hill, County Treasurer
PO Box 434
Centerville Texas 75833
903-536-2915
Brandi.hill@co.leon.tx.us

A Pre-Bid Conference will be held on Wednesday, April 24, 2019 at 11:00 am in the Annex 1 Court Room. This meeting is held to allow bidders/proposers to ask questions about the proposed contract and contract specifications.

All bids must be sealed envelopes clearly marked with Bid Number and Bid Title. Complete Bids must contain one (1) original and one (1) copy. The original bid must be clearly marked "ORIGINAL" and contain all original signatures as well as a certified or cashier's check as a Good Faith Guarantee. Bids must be received in the Leon County Treasurer's Office at 113 W Main Street, Centerville, Texas, 75833 by the date and time specified above. **Late bids will be rejected and returned to the bidder unopened. Leon County will not be responsible for unmarked or improperly marked bids delivered to the wrong location. Sealed bids will be opened and acknowledged in the Leon County Auditor's Conference Room, 113 W Main Street, located in the Annex I Building, Centerville, Texas on the date and time specified above.**

The Commissioners' Court of Leon County reserves the right to reject in part or in whole any or all bids, waive minor technicalities, and award the bid which best serves the interest of Leon County.

Bids may be withdrawn at any time before the official opening. Alterations made before the opening time must be initialed by the bidder as to their authenticity.

The undersigned agrees, if this bid is accepted, to furnish all services upon which fees or interest rates are offered and upon the terms and conditions in the specifications.

THE COUNTY EXPRESSLY REQUESTS THAT BIDDERS NOT DISCUSS THIS ENGAGEMENT OR THE BANK'S PLANS, EXPERIENCE OR CREDENTIALS WITH ANY OTHER BANKS OR ANY MEMBER OF COMMISSIONERS' COURT UNTIL REQUESTED BY COUNTY OFFICIALS TO MAKE A PERSONAL PRESENTATION.

Two copies of the bound and sealed proposal are required, not to be opened until the final submission date and hour noted.

Bids are to be submitted on the attached "bid worksheet". Leon County's bid structure must be adhered to. Additional attachments of explanation are allowed as long as the bid worksheet has been answered completely in the space provided.

By returning the "bid worksheet", each bank certifies that:

1. Length of the contract shall be for a term of 4 years;
2. Contract may be extended for a period of 2 additional years upon successful negotiations between County and Bank for new interest rates and financial terms;
3. All rates and fees bid are to be firm for the life of the contract if accepted;
4. Awarding of contract(s) will be executed by the Leon County Commissioners' Court and will be confirmed by an award letter;
5. Any deviations from these terms and conditions must be stated as such when returning the bid worksheet.

GOOD FAITH GUARANTEE: Depository Bid Only – Bank must submit with the Bid Worksheet a certified cashier's check for \$58,701.58 (one-half of one percent of the County's revenue for the preceding year, Code 116.023), and a certified cashier's check for \$12,052.50 (one-half of one per cent of the average daily balances of the County and District Clerks' Trust Accounts for the preceding year, code 117.021) payable to Leon County as a guarantee of good faith. The checks will be held by the County until the Depository Bank is selected and the securities have been pledged.

AMOUNT TO BE PLEDGED: The initial amount of securities to be pledged against Leon County funds shall be adequate to fully collateralize the funds of Leon County according to the laws of the State of Texas and shall continuously remain as such. This amount is subject to change as deposits fluctuate, with the approval of the Leon County Treasurer. Securities pledged must be held at the Federal Reserve Bank, Dallas, Texas or in a correspondent bank's safe keeping department in a Leon County Public Funds Collateral Account.

If selected as Depository, you agree to provide, within fifteen (15) days of selection: Pledged securities in the amount provided by law under the Texas Local Government Code, Sec. 116.054, but limited to United States Government Bonds, Notes and Bills; United States Agencies; Federal Housing Administration Bonds; Federal National Mortgage Association Bonds; and Municipal Securities bearing Moody's "A" or better rating. The pledged securities apply not only to County operating Funds, but also to any trust funds in which the County Clerk or District Clerk of Leon County have duties.

PAYMENT OF SERVICES: Bank will specify fees required for services. Banking services not detailed on the Bid Worksheet will be provided at no cost to the County.

INVESTMENTS MADE OUTSIDE DEPOSITORY BANK: Leon County reserves the right to make external investments according to the Laws of the State of Texas and the Investment Policy of Leon County (copy available upon request through County Treasurer's Office).

In compliance with Govt. Code 2256.005 of the Public Funds Investment Act, all offers will be required to comply with Leon County Investment Policy and execute an (ATP) "Agreement in Principal" with the County. In addition to addressing the requirements of this notice of offertory, you are certainly encouraged to offer any alternative approaches that will further enhance our operational or financial success.

INTEREST AND INTEREST RATE: Variable interest rate bids and fixed interest rate bids on accounts and certificates of deposit shall be quoted by the Bank. Leon County reserves the right to select the rate most favorable to the county any time during the term of the contract, subject to banking laws.

INTEREST BEARING ACCOUNTS: Leon County will have accounts established under these specifications for disbursing checks written on Leon County funds. Checks and transfers will be written from these accounts. Wire transfers, ACH transfers, internal bank transfers or deposits will also be made from these accounts. These accounts may vary during the duration of the contract, and other accounts may be added as the need arises.

BANK SPECIFICATIONS

It is the intent of Leon County to execute a contract with one or more banks desiring to be designated as the Leon County Depository Bank. The contract will include Leon County Public Monies and the Trust Funds held by the District and County Clerk. By returning the Bid Worksheet, Bank acknowledges that it understands the Texas Local Government Code, Chapter 116 that pertains to the managing and safekeeping of county funds and will comply with these statutes. Also the Bank acknowledges that it understands the Revised Civil Statutes of Texas, as revised by the Local Government Code, Chapter 117 that pertains to depositories, certain trust funds and court registry funds held in trust by the County and will comply with these statutes. In this document the statutes will be referred to as the "Code".

DURATION: As provided in Article 116.021 (a) and (b) of the Code, the Bank contract will be effective for a four-year term, ending sixty (60) days from the time fixed by law for the next selection of a Depository Bank. (June 1, 2019 to May 31, 2023). Contract may be extended for a period of two years. The contract shall allow the bank to establish, on the basis of negotiations with the county, new interest rates and financial terms of the contract that will take effect during the final two years of the four-year contract if:

1. The new financial terms do not increase the prices to the county by more than 10 percent and;
2. The county has the option to choose to use the initial variable interest rate option or to change to the new fixed rate or variable interest rate options proposed by the bank.

If time deposit maturity extends beyond the expiration date of the contract, the depository bank will pledge sufficient securities required by Leon County to provide for the maturity of the time deposit.

AWARDING CONTRACT: Leon County will award the depository bank contract based on the following criteria;

1. Ability to meet service requirements.
2. Cost of services.
3. Cash management products available that will enhance County banking procedures.
4. Net rate of return on County funds.
5. Bank's financial position.
6. Bank's ability to pledge adequate securities against County funds.

SUBMITTING FINANCIAL STATEMENTS: All banks wishing to be designated as a Depository Bank must state the amount of the Bank's paid-up capital stock and permanent surplus and must submit a statement showing the financial condition of the Bank on the date of the application.

SERVICES REQUIRED

COLLATERAL REQUIREMENT: A detailed monthly collateral-to-deposit report is required. The report shall contain security descriptions, par value/current face and current market value. To compensate for increases or decreases in county deposits and fluctuation of market value of pledged collateral. The minimum market values of collateral will be 110% of county deposits.

ONLINE SERVICE: It is required, that as part of the Bid, the Depository Bank will provide on-line banking for daily reporting of fund balances, fund transfers, collected and ledger balances, stop payment requests, confirmations and detailed debits and credits

STATEMENTS: Monthly account statements will be provided with all corresponding checks, debit and credit memos, deposited items, etc... This statement shall show the number of checks, deposits and deposit items posted, daily ledger balances, average daily ledger balance for the month, average daily collected balance for the month and other items on which charges are based. Such statements on all County accounts shall be provided to County Treasurer within seven (7) working days after the close of each month.

CONTACT PERSON: Bank will specify an Officer of the Bank who will be responsible for attending to inquiries, request for services, and daily activities regarding the managing of Leon County accounts.

STOP PAYMENTS: The Bank will be required to process stop payments on verbal instructions from the County Treasurer or their assignee with follow-up written confirmation.

STANDARD DISBURSEMENT SERVICES: Standard disbursing services for all accounts are required to include the payment of all County checks upon presentation.

STANDARD DEPOSIT SERVICES: The Bank will guarantee immediate credit on all wire transfers, ACH transactions and Government checks upon receipt and all other checks based on the Bank's availability schedule. All deposits received before the Bank's established deadline will be credited daily and County Treasurer shall be notified by fax.

SHORT - TERM FINANCING: The County may require short-term financing during this contract. This financing may include but not limited to the purchase of equipment or other assets.

OTHER SERVICES: As described on the Bid Worksheet, the Bank will acknowledge services provided and attendant fees for such.

BID WORKSHEET

1. Interest Bearing Checking Accounts:

*Variable Interest Rate Margin

Fixed Interest Rate

*Variable Rate = 91 Day US T-Bill rate (as determined by the most recent weekly Treasury Bill Auction) +/- the banks predetermined Basis Point margin. Example: If the 91 Day US Treasury Bill closing rate was 5.3% and the predetermined margin is 90 Basis Points under the T-Bill, then the variable rate on the account becomes 4.40% for that week.

2. Certificates of Deposit - Variable Interest Rate:

The variable rate should be based upon the nearest maturity US Treasury Bill Rate in order to comply with the County's Investment Policy as revised by Commissioner's Court on 11/28/18. This rate will be determined by the previous day's closing trade in the T-Bill maturity +/- the banks predetermined Basis Point margin. Example: If the County Treasurer is looking for a 48 day Certificate of Deposit, the 47 Day US T-Bill closed at 3.5% the previous night (as reported in the Wall Street Journal), and the predetermined margin is 25 Basis Points over the T-Bill, then the variable rate that will become fixed during the life of the CD is 4.5%.

	Less than \$100,000.00	More than \$100,000.00
1. Maturity 7-29 days	+/- ___ basis points	+/- ___ basis points
2. Maturity 30-59 days	+/- ___ basis points	+/- ___ basis points
3. Maturity 60-89 days	+/- ___ basis points	+/- ___ basis points
4. Maturity 90-179 days	+/- ___ basis points	+/- ___ basis points
5. Maturity 180-365 days	+/- ___ basis points	+/- ___ basis points
6. Maturity over 365 days	+/- ___ basis points	+/- ___ basis points

Interest paid Daily___ Interest paid Monthly___ Interest paid Quarterly___
 Interest paid Semi-Annually___ Interest paid Annually___ Interest paid at Maturity___

Certificate of Deposit - Fixed Interest Rate:

	<\$100,000.00	>\$100,000.00
1. Maturity 7-29 days	_____ %	_____ %
2. Maturity 30-59 days	_____ %	_____ %
3. Maturity 60-89 days	_____ %	_____ %
4. Maturity 90-179 days	_____ %	_____ %
5. Maturity 180 days less than one year	_____ %	_____ %
6. Maturity one year or more	_____ %	_____ %

Interest paid Daily___ Interest paid Monthly___ Interest paid Quarterly___
 Interest paid Semi-Annually___ Interest paid Annually___ Interest paid at Maturity___

Services Provided:

	Yes	No	Fee Amount
3. Monthly Account Analysis (individual and group)	_____	_____	_____

Comments:

4. Automated Balance Reporting	_____	_____	_____
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Comments:

5. Wire Transfer:

Incoming	_____	_____	_____
Outgoing	_____	_____	_____
Repetitive	_____	_____	_____
Non-repetitive	_____	_____	_____

Comments:

6. ACH Service Transfers:

Outgoing Bank Initiated	_____	_____	_____
Computerized	_____	_____	_____

Services Provided:

	Yes	No	Fee Amount
7. In-house Accounts Transfers:			
Repetitive	_____	_____	_____
Non-repetitive	_____	_____	_____
Computerized	_____	_____	_____
8. Account Maintenance on			
Checking Accounts	_____	_____	_____
Daily Bank Statements	_____	_____	_____
Weekly Bank Statements	_____	_____	_____
Monthly Bank Statement	_____	_____	_____

Comments:

9. Furnish deposit slips, deposit books and endorsement stamp	_____	_____	_____
10. Night depository services, including bags and keys	_____	_____	_____
11. Stop payments issued	_____	_____	_____

Comments:

12. Overdrawn Accounts	_____	_____	_____
13. Notice of Overdrawn Accounts	_____	_____	_____

Services Provided:

	Yes	No	Fee Amount
14. Returned Items	_____	_____	_____
15. Account Reconciliation's per account	_____	_____	_____
Paid Checks Tapes per account	_____	_____	_____
Check Sort Account (checks)	_____	_____	_____

Comments:

16. Provide safekeeping for outside purchases of securities by Leon County at the Managing Bank, a Third Party Financial Institution or with the Federal Reserve Bank	_____	_____	_____
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Comments:

17. Allow eligible repurchase agreements or eligible money market mutual funds from the Bank's portfolio of US Government Obligations on an overnight or monthly basis	_____	_____	_____
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Comments:

Services Provided:

	Yes	No	Fee Amount
18. Computer (internet) banking			
Online Banking	_____	_____	_____
Online Transfers per item	_____	_____	_____

Comments:

19. Controlled Disbursement Accounts	_____	_____	_____
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Comments:

20. Zero-Balance Accounts	_____	_____	_____
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Comments:

21. Short-term Financing

Fixed Rate _____% Variable Rate _____%

Interest on loans to be calculated on a 360-day basis.

22. Direct Deposit of County employees' payroll checks	_____	_____	_____
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Services Provided:

	Yes	No	Fee Amount
23. Credit Card Payment Processing Services (Payments made to the County - fees, charges and services)	_____	_____	_____
24. Debit Card Payment Processing Services (Payments made to the County - fees, charges and services)	_____	_____	_____

Comments:

25. On-Line (microcomputer) banking service connection(s) between the bank(s) and the County (installation, monitoring and service repair of line problems)

Comments:

26. Lock Box Services & Related Fees

Comments:

Services Provided:

	Yes	No	Fee Amount
27. Positive Pay Services & Related Fees (Please include any supporting information about software, training, etc...)	_____	_____	_____
28. Imaging Services & Related Fees (on CD-ROM)	_____	_____	_____

* Leon County is open to any suggestions and/or services not listed on this bid worksheet. Please attach any suggestions and/or services on an attached sheet, or in the space provided along with the price, if any, of the service(s) available.

The County requests the bank to bill and accept direct payment for the service at the unit prices indicated in the previous sections.

The County requests that the bank accept payment for services based on unit prices, each account billing will be presented monthly with charges being on a unit fee basis. The bank may want to determine unit prices two ways: using the account balances as a factor and not using the account balances as a factor.

Should the bank not consider account balances as a factor in determining unit prices, the County would ask that the bank consider that in determining the interest rates paid on the account balances.

The County will accept bids for banking services paid for on a flat fee basis; however, the County prefers that the direct fee payment for banking services at the unit price method be used in the bank's bid application.

Services	Fee/Unit
_____	_____
_____	_____
TOTAL monthly charges for all services	\$ _____

COMPLIANCE WITH LAW

Bank understands the condition, specifications and Texas Civil Statutes that govern the holding of County funds as a participating bank and will adhere to those rules to the best of its ability.

Does the bank wish to be designated as a participating Bank?

_____Yes

_____No

A bank **must** complete the below information to validate the bid.

The undersigned affirms that they are duly authorized to execute this contract. The Bank has not prepared this bid in collusion with any other bidder and the contents of this bid as to fees, interest rates, terms or conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any other bidder or to any other person(s) engaged in this type of business prior to the official opening of this bid.

Name and address of Bidder: **All unsigned bids will be disqualified**

Bank Name

Signature

Mailing Address

Print/type name

Physical Address

Title

City, State, Zip Code

APPLICATION FOR DEPOSITORY

The paid up capital stock of the Bank is \$ _____, and the permanent surplus of the Bank is \$ _____.

A certified cashier's check for \$ 58,701.58, which equals one half of 1% of the preceding years unaudited revenues of Leon County, made payable to Leon County Treasurer, accompanies this bid and is tendered under the terms of the Local Government Code, Section 116.023 and shall act as a good-faith guarantee on the part of the applicant that if selected as County depository, the bank will execute the bond as required under this chapter.

_____ is hereby authorized to receipt said check up on return.

(Bidding Bank)

Name of Bidding Bank

By: _____

The following is to be signed when check is returned to bidding bank:

Received certified cashiers' check for \$ _____ for

_____. (Bank)

Date: _____

By: _____

By returning the "bid worksheet", the bank certifies that:

1. All rates and fees bid are to be firm for the life of the contract if accepted;
2. Awarding of contract(s) will be executed by the Leon County Commissioners' Court and will be confirmed by an award letter;
3. Any questions, clarifications, or deviations from this bid structure must be electronically indicated to the Leon County Treasurer's Office by May 1, 2019 at brandi.hill@co.leon.tx.us, and further, any deviations/changes must have a stated explanation, in writing, when returning the "bid worksheet" by May 7, 2019.

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**APPLICATION FOR SELECTION AS DEPOSITORY FOR TRUST FUNDS FOR
COUNTY & DISTRICT COURT, LEON COUNTY, TEXAS**

This application shall be completed and delivered to the County Treasurer of Leon County, Texas on or before 10:00 a.m. on May 7, 2019 to be considered for selection. Attached hereto is applicant's certified check for \$12,052.50 (one-half of 1% of the average daily balances of such Trust Funds during the preceding year).

The applicant agrees to keep the funds deposited hereunder in one or more accounts as directed by the Clerk of said court depositing the same, and to pay interest on said account or accounts during the term of this depository contract at the rates shown below by category, on each account which falls within such category:

_____ on passbook savings, calculated daily, compounded quarterly

_____ on Money Market Accounts, maximum of 3 checks per month, minimum balance of \$2,500; calculated daily, compounded monthly and credited monthly

The term of this depository contract shall commence upon qualifying of the successful bidder or June 1, 2019, whichever is later, and shall extend for the period of time prescribed by law.

Bank agrees to pledge securities to secure County Court and District Court trust funds as provided by law.

No service charge for any account or accounts of the County Court and District Court will be charged to the Court by the Bank. The Bank will provide, at no charge, for collection and exchange services. This will include the furnishing of cashier's checks or drafts when and where necessary and the direct collection of checks drawn on any bank.

Other services provided by the Bank free of charge to Leon County Court and District Court will be:

- A. Preparation of monthly statements showing debits, credits and balances of each separate account;
- B. Preparation of all accounts, reports and records which may, from time to time, be required by the County Court or District Court, in order to properly discharge the duties as provided by law of depository; and,
- C. Telephone transfer of funds.

APPLICATION FOR DEPOSITORY

The paid up capital stock of the Bank is \$ _____ and the permanent surplus of the Bank is _____.

A certified cashier's check for \$12,052.50 which equals one-half of 1% of the average daily balances of the County Clerk and District Clerk accounts for the preceding year, made payable to Leon County Treasurer, accompanies this bid and is tendered under the terms of the Local Government Code, Section 117.021 and these specifications.

_____ is hereby authorized to receipt for said check upon return.

(Bidding Bank)

Name of Bidding Bank

By: _____

The following is to be signed when check is returned to bidding bank:

Received certified cashier's check for \$ _____ for
_____. (Bank)

Date: _____

By: _____

The Bank agrees to furnish at Bank's premises and without charge to the County Court or District Court such safe deposit box or boxes, or other safekeeping services as needed for the safekeeping of such items as the Court shall decide.

The Bank agrees to furnish the Clerk of said court with checks, deposit slips, voucher checks, and bank-by-mail envelopes which may be needed by the clerk to properly service the account(s) of the Court. The provision of these stationary items will be restricted to those the bank can produce at its location or those which can be ordered as a regular stock item through a bank check printing company.

If this application is selected, the above and foregoing shall constitute the depository contract between applicant and Leon County Court and District Court.

Applicant: _____

Bank Name: _____

Accepted: _____
Byron Ryder, County Judge

Accepted: _____
Christie Wakefield, County Clerk