

Re: Broadway Bank Questions - City of Kyle RFP 2016-01-PM

Perwez Moheet

Fri 1/29/2016 2:12 PM

To: Doss, Susie <SDoss@BroadwayBank.com>;

Cc: Melendez, Irene G. <IMelendez@BroadwayBank.com>;

 1 attachment (76 KB)

RFP - Q&A Broadway Bank 1-29-2016.pdf;

Susie,

Attached is the City's response to the questions submitted by Broadway Bank concerning RFP No. 2016-01-PM for Bank Depository Services.

Regards,
Perwez

Perwez A. Moheet, CPA
Director of Finance
City of Kyle
P.O. Box 40
Kyle, TX 78640-0040


From: Doss, Susie <SDoss@BroadwayBank.com>
Sent: Thursday, January 28, 2016 4:21 PM
To: Perwez Moheet
Cc: Melendez, Irene G.
Subject: Broadway Bank Questions - City of Kyle RFP 2016-01-PM

Perwez,

Thank you for allowing us the opportunity to review and respond to your 2016 RFP.

Please see attached word document with our questions/clarification.

Please let me know if you have any questions. Thank you! Susie



**BROADWAY
BANK**

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RFP: 2016-01-PM

Investment Policy:

VI. Safekeeping and Collateral - Page 8

1. *B. The City shall contract with a bank, or banks, for the safekeeping of securities.....All collateral securing bank and savings banks deposits must be held in the City's name by a third-party banking institution acceptable to and under contracts with the City by the Federal Reserve Bank.*

Question: Do you consider the Federal Home Loan Bank as an acceptable third party banking institution? Would you be willing to state in writing that safekeeping of collateral can be held by FRB and/or FHLB?

Response:

The City considers the Federal Home Loan Bank as an acceptable third party banking institution for safekeeping under Title 10 Chapter 2257 of the Texas Local Government Code and in reference to RFP 2016-01-PM for Bank Depository Services. Safekeeping of collateral can be held by the Federal Reserve Bank and or the Federal Home Loan Bank.

Question: Based on the statement above, the City requires that securities pledged as collateral be held in the City of Kyle's name. When you refer to "held" in the City's name - are you stating that collateral must be held (owned) by the City or that the collateral is owned by the bank and pledged to the City of Kyle for collateral purposes via a safekeeping receipt and held by a third party custodian. Please clarify.

Response:

At a minimum, all collateral securities must be pledged to the City of Kyle for collateral purposes and must be held by a third party custodian bank acceptable to the City of Kyle and eligible to be a custodian bank under Title 10 Chapter 2257 of the Texas Local Government Code.

2. C. Collateralization – Reference to Depository Agreement

Question: Can you please provide the Depository Agreement that is referenced to in the RFP?

C. Request for Proposal - Page 6-7

Banking Services being requested under this RFP include full service basic banking services including but not limited to receiving deposits, remote deposits,positive pay verifications, credit card services, printing services.....quarterly feedback meetings.

Questions: Please provide information as to what services, etc that you are looking for in relationship to credit card services. Does this relate to Purchasing Credit Cards, business credit cards, and/or merchant services?

Response:

As part of the proposal, the City is interested in responders to RFP No. 2016-01-PM for Bank Depository Services to describe procurement card services and merchant services, if offered by their institution.

Appendix A. City of Kyle Contractor Insurance Requirements – Page 18

1. *Name the City , it officers, agents, and employees as additional insured as to all applicable coverage with the exception of workers compensation insurance.*

Question: *Do you consider a financial institution a contractor with the insurance requirements?*

Response:

Yes.

Will you consider the following statement from a financial institution in lieu of naming the City of Kyle as additional insured parties to the stated insurance policies?

Article: - Insurance

The Bank will procure and maintain insurance with companies authorized to do business in the State of Texas, covering all activities under this Agreement, whether performed by the Bank or its agents, employees or subcontractors. The Bank will agree to deliver (if requested) to the City a certificate in a form satisfactory to the Agency showing that Bank has complied with this paragraph. After this initial delivery of certificates, the Bank will provide updated certificates to the Agency at the Agency's request demonstrating that the Bank continues to maintain the insurance coverage described herein. The kinds and amounts of insurance required are as follows:

1. **Liability Insurance:** (1) Commercial general liability insurance in an amount not less than \$500,000 for each occurrence and \$1,000,000 in the aggregate, (2) Motor Vehicle liability insurance in an amount not less than \$500,000 for injuries to any one person, \$1,000,000 on account of any one accident and in an amount of not less than \$500,000 for property damage.
2. **Errors and omissions coverage** to cover lawful claims arising in connection with the services under this Agreement in the combined single limit amount of at least \$1,000,000.

Response:

Only if the minimum insurance coverage amounts are for the same amounts as specified in RFP No. 2016-01-PM.

Please include Broadway Bank in the responses to the questions of all financial institutions.

Response:

The City will post online all questions received and responded by the City as addendums to the RFP. This information will made be available at: <http://www.cityofkyle.com/rfps>

Thank you! Susie Doss