

May 25, 2005

TO: John Szerlag, City Manager

FROM: John M. Lamerato, Assistant City Manager/ Finance and Administration
James Nash, Financial Services Director
Sandra Kasperek, City Treasurer
Jeanette Bennett, Director of Purchasing

SUBJECT: **Agenda Item:** Bid Waiver - Contract Extension – Banking Services

RECOMMENDATION

On July 19, 1999, Troy City Council approved a three-year contract to Fifth Third Bank (formerly Old Kent Bank) for banking services with an option to renew the contract for three (3) additional years (Resolution #99-349-E-2c). On May 6, 2002 the option was exercised for an additional three (3) year period (Resolution # 2002-05-288-E-2) under the same prices, terms, and conditions expiring September 30, 2005.

City management recommends the contract be extended with Fifth Third Bank for banking services expiring October 1, 2008. Fifth Third Bank has offered to extend the contract under the same prices, terms, and conditions with a fee reduction in two areas. They have offered to reduce the monthly maintenance charge for Controlled Disbursement Accounts 50% from \$100.00 per account per month to \$50.00 per account per month. Secondly, they have offered a 16.6% reduction in the deposit fee from \$.60 per deposit to \$.50 per deposit.

Also, the original resolution granted approval to negotiate with Fifth Third Bank to provide additional banking services, as the City was ready to implement them. Since the beginning of the contract, we have added lock box services and a procurement card program. The implementation of the Procurement Card Program was approved by City Council on August 6, 2001 [Resolution #2001-08-404(a)].

BACKGROUND

The recommendation to extend the contract with Fifth Third Bank is made for the following reasons:

- Fifth Third Bank (formerly Old Kent Bank) was the recommended bidder as the result of a request for proposal process. The estimated total cost of banking services was substantially less than the other banks, which in turn required a substantially lower monthly compensating balance.

Both factors were in the City's best interests in 1999, and since the same prices, terms, and conditions are being proposed to be extended from that time, would continue to be in the City's best interests.

To: John Szerlag, City Manager
Re: Bid Waiver – Contract Extension – Banking Services
Page 2 of 2

BACKGROUND - continued

- Staff recommends extending the contract with Fifth Third since several banking products have been implemented to enhance payment collections. A partial list of these products include lock box collection for tax and water payments, auto-debit program for water bills and recreation fees, and credit card services for recreation fees (i.e. educational and fitness programs, golf course fees, etc). All of these products require the joint effort of staff from both the City of Troy and Fifth Third Bank in the process of integrating appropriate technology, implementing security procedures, creating and printing forms, training end-users to work with features of new software packages, developing reporting procedures, and maintaining feedback for optimal performance.

Changing banking services at this time would divert staff time to a very complex task of discontinuing current services and procedures, establishing new services at a new banking institution, implementing new software, and educating all users. Furthermore, not only would the payment collection products be affected, but also the products used for internal purposes such as payroll, accounts receivable, accounts payable, investing etc. Clearly, a change of this magnitude would impact the services we offer our customers and employees.

- The implementation of the Procurement Card Program is relatively new (approved Aug 2001) and required training all participants to learn on-line account reconciliation.

New banking services would require the City to implement a new card program and require all cardholders to be retrained in the use of new software and processes, which increases the opportunity for errors as cardholders would need to become familiar with another reporting system.

MARKET SURVEY

The City of Troy currently enjoys a good business relationship with Fifth Third Bank to uphold fiscal integrity and maintain high levels of service in a cost-effective manner.

Although pricing is just one factor in the selection process, the proposal submitted by Fifth Third was substantially lower than the other banks submitting proposals at the time of the last RFP and still holds true based on a recent informal survey.

BUDGET

Costs for banking services are an offset to interest earnings and not a direct charge paid from a City account.

May 13, 2005

Ms. Jeanette Bennett
Purchasing Director
City of Troy
500 W. Big Beaver Road
Troy, Michigan 48084

Re: City of Troy Banking Contract Extension

Dear Ms. Bennett

I would like to thank you for the banking relationship Fifth Third Bank (formerly Old Kent Bank) has had with the City of Troy.

As pertaining to RFP-99-01, we Fifth Third Bank would like to extend to the City a renewal extension for an additional three-year period beginning October 1, 2005, expiring October 1, 2008.

Fifth Third Bank is offering that all pricing and terms and conditions remain in place for the additional three-year period expiring on October 1, 2008. In addition, we are offering to the City fee reductions in two categories. I would like to offer a 50 % reduction in the monthly maintenance charge for your Controlled Disbursement Accounts. The current charge is \$100.00 per account per month and our proposal is to reduce the charge to \$50.00 per account per month. In addition, we are offering a 16.6% reduction in the deposit fee. The current charge is 60 cents per deposit and we are offering 50 cents per deposit.

As stated in the previous contract, the City or the Bank reserves the right to terminate the contract providing one hundred and twenty (120) days written notice to that of either party with intent to terminate.

We are excited about our growth in the City with the recent signing of the lease for our new branch on Rochester and Bishop Roads. The City of Troy is a wonderful place to work, live and conduct business.

Again, I would like to thank you for your previous business and look forward to a continued mutually rewarding relationship.

Should you have any questions or concerns, please feel free to call me at 248.458.5817.

Sincerely,



Aron Kominars
Vice President
2280 West Big Beaver Road
Troy, Michigan 48084

CC: Mr. John Lamerato
Assistant City Manager

E-2 Standard Purchasing Resolution 3: Exercise Renewal Option – Banking Services

Resolution #2002-05-288-E-2

NOTE

WHEREAS, On July 19, 1999, a three-year contract with an option to renew for three additional years to provide banking services was awarded to Fifth Third Bank (formerly Old Kent Bank) (Resolution #99-349-E-2c); and

WHEREAS, Fifth Third Bank has agreed to exercise the option to renew the contract for an additional three years under the same prices, terms, and conditions.

NOW, THEREFORE, BE IT RESOLVED, That the option to renew the contract is hereby exercise with Fifth Third Bank to provide Banking Services, under the same contract prices, terms, and conditions for three years expiring September 30, 2005.

E-3 Request from C. A. MUER CORPORATION: (a) To Transfer Stock Through Merger in 2001 Class C Licensed Business, Located at 5498 Crooks, Troy, by Adding LSRI HOLDINGS, INC. as New Stockholder Through Issuance of 1,000 Shares of Stock from the Corporation, and by Dropping Anthony Adams, et al, Through Transfer of Their 1,166,066 Shares of Stock Back to the Corporation [MLCC REQ ID# 151240]; (b) Approval of Agreement**(a) License Transfer**

Resolution #2002-05-288-E-3a

RESOLVED, That the request from C.A. Muer Corporation, to transfer stock in 2001 Class C licensed business, located at 5498 Crooks, Troy, by adding LSRI Holdings, Inc. as new stockholder, and dropping Anthony Adams, et al, be considered for approval. It is the consensus of this legislative body that the application be recommended for issuance.

(b) Agreement

Resolution #2002-05-288-E-3b

WHEREAS, The City Council of the City of Troy deems it necessary to enter agreements with applicants for liquor licenses for the purpose of providing civil remedies to the City of Troy in the event licensees fail to adhere to Troy Codes and Ordinances.

NOW, THEREFORE, BE IT RESOLVED, That the City Council of the City of Troy hereby approves an agreement with C. A. Muer Corporation., which shall become effective upon approval of the request to transfer stock to LSRI Holdings, Inc., and dropping Anthony Adams, et al; and the Mayor and City Clerk are authorized to execute the document, a copy of which shall be attached to the original Minutes of this meeting.

April 26, 2002

TO: The Honorable Mayor and City Council

FROM: John Szerlag, City Manager
John M. Lamerato, Assistant City Manager/ Finance and Administration
James Nash, Financial Services Director
Jeanette Bennett, Purchasing Director 

Subject: Standard Purchasing Resolution 3: Exercise Renewal Option –
Banking Services

RECOMMENDATION

On July 19, 1999, the Troy City Council approved a three-year contract to Fifth Third Bank (formerly Old Kent Bank) for banking services with an option to renew the contract for three (3) additional years (Resolution 99-349-E-2c). Fifth Third Bank has agreed to extend their contract under the same prices, terms, and conditions. The Finance Division has been satisfied with the performance of Fifth Third Bank during the past three years and recommends exercising the option to renew the contract for three additional years to expire September 30, 2005.

ADDITIONAL INFORMATION

The recommended bidder was selected as a result of a request for proposal process. The original resolution granted approval to negotiate with Fifth Third Bank to provide additional banking services, as the City was ready to implement them. Since the beginning of the contract, we have added lock box services and a procurement card program. The implementation of the Procurement Card Program was approved by City Council on August 6, 2001 [Resolution #2001-08-404(a)].

MARKET SURVEY

A market survey was not deemed necessary since the bank was selected as a result of a request for proposal process. Pricing is just one factor in the selection process, although their pricing was substantially lower than the other banks submitting proposals.

BUDGET

Costs for banking services are an offset to interest earnings and not a direct charge paid from a City account.



January 14, 2002

Ms. Jeanette Bennett
Purchasing Director
City of Troy
500 W. Big Beaver Rd.
Troy, MI 4804

Re: City of Troy Contract Extension

Dear Ms. Bennett:

We would like to thank you for the banking relationship Fifth Third Bank (previously Old Kent Bank) has had with the City of Troy for almost three years now.

As pertaining to RFP-99-01, we Fifth Third Bank (previously Old Kent) would like to extend to the City a renewal for an additional three year contract period beginning October 1, 2002, expiring three calendar years later in the year 2005.

October 1 of 1999 was the implementation date of all accounts and products set up at Old Kent Bank now Fifth Third Bank. The award date by the City of Troy Council was July 19, 1999. Fifth Third (previously Old Kent Bank) agrees that all pricing and terms and conditions remain the same for an additional three year period thru the month of October 2005.

The City or the Bank reserves the right to terminate the contract providing one hundred and twenty (120) days written notice to that of either party with intent to terminate.

Again, we thank you and look forward to a mutual rewarding relationship.

Sincerely,

Dan Viant
Vice President

cc: Mr. John Lamerato
Assistant City Manager

Accepted on this 6 day of May 2002

Resolution #2002-05-288-E-2
Approved May 6, 2002
Attached

Title Asst. City Manager/ Finance &
City of Troy Administratio
500 W. Big Beaver Rd.
Troy, MI 48064

CONSENT AGENDA – CONTINUED

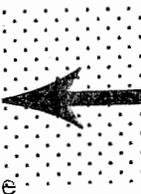
Bid Awards – Continued

E-2

(c) Banking Services

Resolution #99-349-E-2c

RESOLVED, that a three year contract to provide Banking Services with an option to renew the contract for three additional years is hereby approved to Old Kent Bank at an estimated annual cost of \$ 18,995.75, which could be covered by maintaining an estimated monthly compensating balance of \$ 414,186.00, contingent upon contractor submission of properly executed proposal and contract documents, including bonds, insurance certificates and all other specified requirements. In addition, Optional Banking Services contained in the Request for Proposal may be negotiated at the time the City is ready to implement those services.



Award of Office Supply Contract

E-3

Resolution #99-349-E-3

WHEREAS, a “piggy back” addendum with Los Angeles County and the National Cooperative Purchasing Alliance (NACo) allows the Tri-County Purchasing Cooperative of which the City of Troy is a member to participate in the contract for Office Supplies competitively bid and awarded to Office Depot, the best value bidder; and

WHEREAS, the NACo program is a highly visible \$40 Million-plus contract with over 2,500 participating government agencies which enjoys the best pricing, inventory commitment, and service from one of the nations’ largest office supply dealers; and

NOW, THEREFORE, BE IT RESOLVED, that the “piggy back” addendum is hereby approved to Office Depot which will allow the City of Troy to participate in the contract for Office Supplies as part of the Tri-County Purchasing Cooperative at an estimated total of \$125,000 per year expiring April 1, 2001 at the following discount structure:

Catalog of 4,000 frequently ordered items Discounts up to 61% off manufacturer’s list price

Additional discounts as follows:

- | | |
|-------------------------------------------|-----------------------------------------------|
| A) 105 High Usage | Items Average of 70% off Suggested List Price |
| B) Office Furniture | 44% off Manufacturer’s Suggested List Price |
| C) Electronic Equipment/Business Machines | Retail Superstore Pricing |
| D) Miscellaneous Items | 35% off Manufacturer’s Suggested List Price |
| E) Wholesale Items | 20% off Manufacturer’s Suggested List Price |

Program Incentives:

- | | |
|----------------------------|----------------------|
| Electronic ordering system | |
| 40% of Total Transactions | 0.5% of Annual Sales |
| 80% of Total Transactions | 1.0% of Annual Sales |

F-6 Bid Waiver – Exhibition Tents for Troy Daze Festival

Resolution #2001-08-403
Moved by Pallotta
Seconded by Kaszubski

WHEREAS, A market analysis has been conducted to rent exhibition tents for the Troy Daze Festival; and

WHEREAS, It has been determined by all participants that the festival needs to improve traffic flow and relieve congestion in the walkway areas; and

WHEREAS, The Parks and Recreation Department and Troy Daze Committee members have changed the sizing requirements of the tents in an effort to reconfigure and improve the layout of the Troy Daze Festival;

NOW, THEREFORE, BE IT RESOLVED, That formal bidding procedures are hereby waived and a contract to provide exhibition tents for the 2001 Troy Daze Festival is hereby awarded to Special Events Rental at an estimated total cost of \$12,240.00.

Yes: All-7

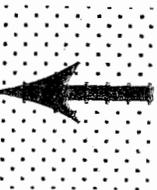
F-7 Approval of a Procurement Card Program and Accompanying Bank Resolution from Fifth Third Bank

(a) Resolution A

Resolution #2001-08-404(a)
Moved by Pallotta
Seconded by Kaszubski

RESOLVED, That a Purchasing Card Program is hereby approved with the City of Troy's bank service provider, Old Kent Bank soon to be Fifth Third Bank in compliance with the provisions of Public Act 266 of 1995.

Yes: All-7



TO: Honorable Mayor and City Council

FROM: James C. Bacon, Jr., City Manager *B*
John M. Lamerato, Assistant City Manager-Finance & Administration *J*

RE: Banking Services

DATE: July 13, 1999

We have completed our extensive review of the banking service proposals received from Bank One, Comerica, Michigan National, National City, Old Kent and Standard Federal Bank. These banks were pre-selected by City Council.

We have attached the bid tabulation to give you an idea of the type of required and optional services we are seeking. In addition to the bid tabulation, we have also compiled a fact sheet that lists other elements that were taken into consideration in the selection process.

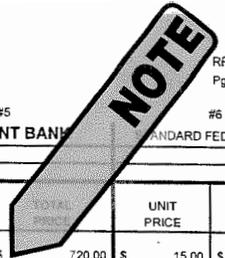
It is our recommendation that Old Kent Bank provide banking services for the City of Troy for a three-year period, with the option to renew for an additional three-year period upon mutual consent. The estimated annual cost for required banking services is \$18,995.75, which could be covered by maintaining an estimated monthly compensating balance of \$ 414,186.00. In addition to the required banking services, we are also seeking approval to negotiate with Old Kent Bank to provide any optional services contained in the request for proposal at such time the City is ready to implement them.

We are presently using Old Kent Bank as Trustee and Transfer Agent for the TDDA Parking Structure bonds and have been very pleased with their performance to date. We also have several certificates of deposit with Old Kent Bank.

NOTE: If approved by Council, this proposal shall be awarded to the recommended bidder contingent upon submission of proper contract and proposal documents, including insurance certificates and all specified requirements.

6 Request for Proposals Sent
6 Request for Proposals Received
0 No Bids

E-20



INSTITUTION NAME:	ESTIMATED ANNUAL VOLUME	#1 MICHIGAN NATIONAL		#2 NBD BANK, A BANK ONE COMPANY		#3 COMERICA		#4 NATIONAL CITY BANK		#5 OLD KENT BANK		#6 STANDARD FEDERAL BANK		
		UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	
REQUIRED BANKING SERVICES:														
SERVICE DESCRIPTION														
ACCOUNT MAINTENANCE FEES:														
CURRENT CHECKING ACCOUNT (6)	72	\$ 22.00	\$ 1,584.00	(5) \$ 17.00	\$ 1,020.00	\$ 15.00	\$ 1,260.00	\$ 11.00	\$ 792.00	\$ 10.00	\$ 720.00	\$ 15.00	\$ 1,080.00	
CONTROL DISBURSEMENT (1)	12	\$ 180.00	\$ 2,160.00	(1) \$ 50.00	\$ 600.00	NOT PROPOSED		\$ 50.00	\$ 600.00	\$ 100.00	\$ 1,200.00	\$ 100.00	\$ 1,200.00	
OTHER FEES (Identify and Detail)				NOTE: GENERAL ACCT IS RECOMMENDED AS AN ARP		NOTE: BASED ON (7) DEMAND ACCTS				N/C	N/C			
SWEEP ACCT MONTHLY BASE FEE	72					\$ 50.00	\$ 3,600.00					\$ 15.00	\$ 180.00	
SWEEP FEE - GENERAL ACCT	12					ACCOUNT AND PRICED (ASSUMES \$25M TARGET BAL)						\$ 15.00	\$ 180.00	
SAFEKEEPING ACCT - MTNCE	12													
SWEEP ACCT FUNDING TRANSFERS	1440					\$ 0.50	\$ 720.00							
ZERO BAL MONTHLY BASE FEE	24					\$ 15.00	\$ 360.00							
ZERO BAL FUNDING TRANSFERS	480					\$ 0.35	\$ 168.00							
ZBA								\$ 10.00						
CONTROLLED DISBURSEMENT								\$ 50.00						
MONTHLY PRODUCT CHARGE	12			\$ 60.00	\$ 720.00									
TERMINAL OUTPUT PER ACCESS	252			\$ 1.60	\$ 403.20									
TERMINAL OUTPUT PER FIELD	756			\$ 0.12	\$ 90.72									
MONTHLY PRODUCT CHARGE	12													
TERMINAL OUTPUT PER DAY	252			\$ 1.60	\$ 403.20									
TERMINAL OUTPUT PER ACCOUNT	504			\$ 0.12	\$ 60.48									
MISCELLANEOUS DEBITS	252			\$ 0.45	\$ 113.40									
MISCELLANEOUS CREDITS	252			\$ 0.80	\$ 201.60									
CASHNET REPORTING--														
				\$ 60.00	\$ 720.00									
				\$ 1.60	\$ 403.20									
				\$ 0.12	\$ 90.72									
CONTROLLED DISBURSEMENT RPT--														
				\$ 30.00	\$ 360.00									
				\$ 1.60	\$ 403.20									
				\$ 0.12	\$ 60.48									
				\$ 0.45	\$ 113.40									
				\$ 0.80	\$ 201.60									
CHECKS PAID:														
CONTROLLED DISBURSEMENT	12,000	\$ 0.21	\$ 2,520.00	\$ 0.18	\$ 2,160.00	SEE ZERO BAL ACCT BELOW		\$ 0.165	\$ 1,980.00	\$ 0.10	\$ 1,200.00	\$ 0.15	\$ 1,800.00	
PAYROLL	19,000	\$ 0.16	\$ 3,040.00	\$ 0.18	\$ 3,420.00	\$ 0.19	\$ 3,610.00	\$ 0.18	\$ 3,420.00	\$ 0.09	\$ 1,710.00	\$ 0.15	\$ 2,850.00	
OTHER FEES (Identify and Detail)														
1500 T&A / 1500 GENERAL CHECKS	3,000			\$ 0.18	\$ 540.00									
PAYABLE CHECKS (ON ZBA ACCT)	12,000					\$ 0.19	\$ 2,280.00							
CHECK RENDERING FEE								\$ 0.03						
POSITIVE PAY(0-5,000 MNTHLY ITEMS)	12							\$ 67.50	\$ 810.00					
UNCOLLECTED FEE - PER DAY												\$ 25.00		
OVERDRAFT FEE - PER ITEM												\$ 25.00		
ITEMS DEPOSITED:														
CURRENT CHECKING ACCOUNT	1,600	\$ 1.15	\$ 1,840.00	\$ 1.15	\$ 1,840.00	0.09	\$ 144.00	\$ 0.80	\$ 1,280.00	\$ 0.60	\$ 960.00	\$ 0.09	\$ 144.00	
CHECKS DEPOSITED	150,000	\$ 0.085	\$ 12,750.00	\$ 0.105	\$ 15,750.00	0.09	\$ 13,500.00	\$ 0.075	\$ 11,250.00	\$ 0.02	\$ 3,000.00	\$ 0.09	\$ 13,500.00	
DEPOSIT ITEMS RETURNED	150	\$ 4.00	\$ 600.00	\$ 4.50	\$ 675.00	5.25	\$ 787.50	\$ 4.00	\$ 600.00	\$ 2.00	\$ 300.00	\$ 4.50	\$ 675.00	
OTHER FEES (Identify and Detail)														
REDEPOSITED ITEMS	108	\$ 2.00	\$ 216.00									\$ 1.25	\$ 135.00	
FDIC ASSESSMENT														
CHECK ENCODING														
DEPOSITS														
MISC CREDITS														
MISC DEBITS														
ACCOUNT RECONCILEMENT FEES:														
MONTHLY MAINTENANCE	24	\$ 30.00	\$ 720.00	\$ 50.00	\$ 1,200.00	(2) ACCOUNTS:	\$ 100.00	\$ 2,400.00	\$ 30.00	\$ 720.00	\$ 65.00	\$ 1,560.00	\$ 70.00	\$ 1,680.00
RECONCILED CHECKS PAID	31,000	\$ 0.06	\$ 1,860.00	N/C			\$ 0.03	\$ 930.00	\$ 0.05	\$ 1,550.00	\$ 0.09	\$ 2,790.00	\$ 0.025	\$ 775.00
OTHER FEES (Identify and Detail)														
Data Transmission - Paid Items File - 1st Acct	12			\$ 40.00	\$ 480.00	SEE ARP SCHEDULE IN EXHIBITS SEC (6)								
Data Transmission - Paid Items - Add'l Accts	12			\$ 6.00	\$ 72.00									
DATA TRANSMISSION	24							\$ 5.00	\$ 120.00					

INSTITUTION NAME:	#1		#2		#3		#4		#5		#6	
	MICHIGAN NATIONAL		NBD BANK, A BANK ONE COMPANY		COMERICA		NATIONAL CITY BANK		OLD KENT BANK		STANDARD FEDERAL BANK	
CREDIT CARDS FOR PURCHASES:												
NOT AN ISSUER OF CREDIT CARDS.												
CITY CAN OPEN A CHECKING ACCOUNT LINKED TO DEBIT CARDS.												
ANNUAL FEES												
INTEREST RATE												
GRACE PERIOD: NUMBER OF DAYS												
OTHER FEES:												
LATE PAYMENT												
OVERLIMIT FEE												
MINIMUM FINANCE CHG												
PAYMENT BY CREDIT/DEBIT CARDS:												
SETUP CHARGES (One Time Only)												
MONTHLY MAINTENANCE												
OTHER FEES BASED ON RFP:												
AMEX: PER AUTHORIZATION												
DISCOVER: PER AUTHORIZATION												
VISA: PER ITEM FEE												
MASTERCARD: PER ITEM FEE												
FIXED PROCESSING RATE: VISA/MC												
DEBIT CARD												
PROPOSED DISCOUNT RATES:												
COMM CTR: GOLF COURSE - AQ CTR												
TAX COLLECTIONS												
NOTE: BOTH RATES ASSUME CARD IS PRESENT FOR SWIPE AT POINT OF SALE												
PAYROLL SERVICES IN ACCORDANCE WITH PROVISIONS ESTABLISHED IN THE ATTACHED 'BANKING SERVICES REQUIREMENTS', PAGES 17 & 18												
MONTHLY MAINTENANCE												
ORIGINATED ITEMS												
ACH DATA TRANSMISSIONS *												
ACH RETURN PAPER *												
ACH NOC PAPER *												
*NOTE: Three above services were pulled from current account analysis statement.												
DDP UPLOAD INPUT												
PER CREDIT AMOUNT												
SOFTWARE (ONE TIME)												
PC/ACH LOGON												
PC/ACH FILE DOWNLOAD FOR												
DEBIT/CREDIT												
TRANSMISSION												
PER ITEM												
EMPLOYEE US SAVINGS BOND PROGRAM IN ACCORDANCE WITH THE PROVISIONS ESTABLISHED IN THE ATTACHED 'BANKING SERVICES REQUIREMENTS' PAGE 21 SAVINGS BONDS MONTHLY FILE DEL CHG												
TOTAL -												
EARNINGS CREDIT RATE (MAR 1999)												
FACTOR RATE												
REQUIRED MONTHLY COMPENSATING BALANCE												
FACTOR RATE FORMULA												
NOTE: THE HIGHER THE FACTOR RATE, THE LOWER THE COMPENSATING BALANCE.												

	#1	#2	#3	#4	#5	#6
TOTAL -	\$ 33,125.80	\$ 306,917.20	\$ 37,624.80	\$ 28,116.00	\$ 18,985.75	\$ 31,009.00
EARNINGS CREDIT RATE (MAR 1999)	4.46%	4.45%	4.35%	4.48%	4.50%	4.53%
FACTOR RATE	3.345%	3.401%	3.325	3.424%	3.821%	3.462%
REQUIRED MONTHLY COMPENSATING BALANCE	\$ 825,257	\$ 904,434	\$ 940,464	\$ 684,207	\$ 414,186	\$ 748,284
FACTOR RATE FORMULA	(ECR)12/90	(ECR)31/3657.90	(ECR)31/3657.90	(ECR)31/3657.90	(ECR)365/31	(ECR)31/3657.90
NOTE: THE HIGHER THE FACTOR RATE, THE LOWER THE COMPENSATING BALANCE.						

#1	#2	#3	#4	#5	#6
MICHIGAN NATIONAL	NBD BANK, A BANK ONE COMPANY	COMERICA	NATIONAL CITY BANK	OLD KENT BANK	STANDARD FEDERAL BANK
8:00 AM NEXT BANKING	AVAILABLE BY 9:30 AM	9:30 AM DAILY	10:00 AM	10:00 AM	8:00 AM EST
CHECKING ACCOUNTS: 8:00 AM NEXT BANKING	RECOMMEND USE OF ON-LINE BALANCE REPORTING	9:30 AM DAILY	2:00 PM	PREVIOUS DAY DAILY BALANCES AND DETAILED INFO CAN BE OBTAINED UTILIZING ORB CONNECT *, WHICH IS UNDER PERSONAL COMPUTER EXPENSES.	N/A
MAILED OUT BY THE 5TH OF EACH MONTH	TEN BUSINESS DAYS FOLLOWING THE LAST CALENDAR DAY OF THE MONTH	SEVEN BUSINESS DAYS	SEVEN BUSINESS DAYS	THREE BUSINESS DAYS	TEN BUSINESS DAYS
DEPOSITS ACCEPTED UNTIL THE CLOSE OF BUSINESS AT: MICHIGAN NATIONAL ALL BRANCHES	(LIST BRANCH & ADDRESS) SOMERSET BRANCH #121 2155 W BIG BEAVER TROY, MI	BRANCH #242 - CROOKS AT MAPLE 1496 CROOKS TROY, MI	BIG BEAVER/COOLIDGE 3901 W BIG BEAVER RD BIG BEAVER/ROCHESTER 725 E BIG BEAVER ROAD	TROY 2280 W BIG BEAVER RD	ALL SIX TROY LOCATIONS

MICHIGAN NATIONAL AGREES
 TO ACCEPT DEPOSITS MON-
 THURS UNTIL 2:30PM AT ANY
 OF OUR BRANCHES. FOR GOOD
 LEDGER CREDIT, FRI ALL DAY,
 AND SAT UNTIL 1:00PM THE
 DEPOSIT RECEIVES LEDGER
 CREDIT AS A FRI DEPOSIT.

CITY OF TROY
 FACT SHEET
 BANKING SERVICES
 JULY 11, 1999

INSTITUTION	REQ. SERV. BANKING FEES	REQ. MO. COMP. BAL.	NO # BRANCH LOC. - TROY	COMMUNITY REINVESTMENT ACT RATING	CREDIT/ DEBIT CARD DISCOUNT RATE	Y2K COMPLIANT	MOODY'S RATING	S&P RATING
OLD KENT	\$ 18,995.75	\$ 414,186.00	1	SATISFACTORY	1.81%	Y	A1	A
NATIONAL CITY	\$ 28,116.00	\$ 684,207.00	3	OUTSTANDING	1.90%	Y	A1	A
STANDARD FEDERAL	\$ 31,009.00	\$ 746,284.00	6	OUTSTANDING	1.89%	Y	Aa2	N/A
MICHIGAN NATIONAL	\$ 33,125.80	\$ 825,257.00	7	SATISFACTORY	1.75%	Y	Aa3	AA
BANK ONE	\$ 36,917.20	\$ 904,434.00	3	OUTSTANDING	1.98%	Y	Aa3	AA-
COMERICA	\$ 37,524.50	\$ 940,464.00	5	OUTSTANDING	1.81%	Y	A1	A

BIDDERS

Mailing Name	Address Line 4	Address Line 1	City	ST	Postal Code	Address Line 2	Address Line 3
ATTN GERALD T RITO. VP		COMERICA BANK DETROIT	DETROIT	MI	48275-3354	500 WOODWARD AVE	P O BOX 75000
ATTN ROBERT H DUSCHINSKE. VP		NATIONAL CITY BANK MICHIGAN/ BIRMINGHAM	BIRMINGHAM	MI	48009-6543	ILLINO 1101 SOUTH WORTH	
ATTN RONALD JESZKE P O BOX 9065		PUBLIC FUNDS DEPARTMENT FARMINGTON HILLS	FARMINGTON HILLS	MI	48333-9065	MICHIGAN NATIONAL BANK	27777 INKSTER RD
ATTN D'ARCY GONZALES. VP		NATIONAL BANK OF DETROIT WATERFORD	WATERFORD	MI	48328-3104	3245 ELIZABETH LAKE RD	
ATTN PANELA J HARDY. VP		STANDARD FEDERAL BANK TROY	TROY	MI	48084-3703	2500 WEST BIG BEAVER RD	P O BOX 3703
ATTN DAN VIANT. VP		OLD KENT BANK AND TRUST COMPANY TROY	TROY	MI	48084	2280 W BIG BEAVER RD	

RFP 99-01 BANKING SERVICES
COMMODITY CODE: 946-25
BANKING SERVICES

RESOLUTION

WHEREAS, On July 19, 1999, City Council approved a three (3) year contract to provide Banking Services with an option to renew the contract for an additional three (3) year period to Fifth Third Bank (formerly Old Kent Bank), the most qualified and lowest bidder as a result of a request for proposal process (Resolution #99-349-E-2c), and on May 6, 2002, exercised the renewal option for an additional three years under the same prices, terms and conditions expiring September 30, 2005 (Resolution #2002-05-288-E2); and

WHEREAS, Fifth Third Bank has offered to extend their contract for three years under the same prices, terms and conditions with a reduction in the monthly maintenance charges for Controlled Disbursement Accounts and deposit fees; and

WHEREAS, The City has successfully implemented lock box and procurement card services to enhance payment collection and improve efficiencies of purchasing procedures;

NOW, THEREFORE, BE IT RESOLVED, That a three-year contract to provide Banking Services is hereby approved with Fifth Third Bank under the same pricing, terms, and conditions expiring October 1, 2008, with fee reductions in Controlled Disbursement Accounts from \$100.00 to \$50.00 per account per month and deposit fees from \$.60 cents to \$.50 cents per deposit.