

DIAMONDHEAD CITY COUNCIL

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
DIAMONDHEAD ACCEPTING THE BIDS FOR THE CITY DEPOSITORY
BANK AND ACCEPTING THE RECOMMENDATIONS OF THE CITY
MANAGER**

WHEREAS, on February 16, 2012 the City of Diamondhead submitted a request for proposal to banks within Hancock County, and

WHEREAS, three banks within the City limits of the City of Diamondhead submitted bids on March 5, 2012, and

WHEREAS, a report from the City Treasurer was received making the following recommendations regarding the selection of the City of Diamondhead Depository banks:

1. The City Council accept all bids received from the bidding banks, to wit:
 - a. The Peoples Bank
 - b. Hancock Bank
 - c. The First
2. The City Council designate The First, A National Banking Association, as the primary depository bank for conducting City of Diamondhead business.
3. The City Manager be given the authorization to deal with any bank identified in Paragraph 1 above.

NOW, BE IT RESOLVED by the City Council of the City of Diamondhead, that the recommendations made by the City Manager and City Treasurer in their report dated March 5, attached hereto, are hereby approved and adopted.

The foregoing resolution was introduced scheduled meeting of the Council of the City of Diamondhead held on the 7th day of March, 2012 by Councilmember Halcomb who moved its adoption, which motion being duly seconded by Councilmember Roberson was upon roll call carried and the resolution adopted by the following vote:

	AYE	NAY
Mayor Ingraham	<u>✓</u>	_____

Councilmember Ackerman ✓ _____
Councilmember Holcomb ✓ _____
Councilmember Knobloch ✓ _____
Councilmember Rech ✓ _____
Councilmember Roberson ✓ _____

APPROVED *Charles H. ...*
MAYOR

ATTEST: *Sue W. Foster*
CITY CLERK

SEAL

THIS IS TO CERTIFY THAT THE FOREGOING RESOLUTION WAS ADOPTED
BY THE CITY OF DIAMONDHEAD, MISSISSIPPI, ON THE 7th DAY OF
March, 2012.

Sue W. Foster
CITY CLERK

ATTEST: *Sue W. Foster*
Sue Foster, City Clerk

APPROVED AS TO FORM:

By *Bragg Williams*
Bragg Williams, City Attorney

CITY OF DIAMONDHEAD

MEMORANDUM

To: Mayor and Members of the City Council

From: Lloyd Ramirez, City Manager by
Pete Kolf, Treasurer

Pete Kolf 3/5/2012

Three banks submitted responses to the RFP (request for proposal) prepared by the City on April 16, 2012. These banks were:

1. Peoples Bank
2. Hancock Bank
3. The First

Based on the RFP as written, all three banks met the criteria for acceptance by the City. All the banks submit evidence that they met the requirements of the being a State Depository under Mississippi Code Sec. 27-105-9 (1972) as amended. (See attachments #1 - #3)

The RFP cites numerous references to the Mississippi Code of 1972, including amendments. It is my opinion that the code requirements have been met.

The RFP did not request the banks to submit any information regarding their services or the cost of those services. It is in the interest of the city to be made aware of those services and costs as follows:

1. Cost of services
2. On-line accounts
3. Monthly statements
4. CD image of checks, front and back.
5. Direct Deposit
6. Night Deposit Box
7. CD investment rates.

Collateral requirements are met by all banks submitting bids through FDIC and the State of Mississippi Collateral Pool which all banks contribute to.

Peoples Bank Met the requirements of the RFP. Did not submit information regarding service charges,

Hancock Bank Hancock Bank did submit some information. Attachment #4 shows the itemized list from Hancock Bank.

The First The First submitted the most comprehensive information regarding the services provided and the cost of those services. See attachment #5.

Another item of interest was the policy each bank had in verifying the signatures on the checks written by the City. This was not addressed by any of the banks nor was it requested. The following is my understanding of the bank check signature verification process.

Peoples Bank Verifies two signatures

Hancock Bank Verifies one signature

The First Verifies two signatures.

Based on the information received, I am recommending to the City Council that The First Bank be named the primary depository.

However, it is in the best interest of the City to maintain a relationship with Peoples Bank and Hancock Bank and I am also recommending that the City accept their bids. There will probably be some point where the City would want to either purchase an allowed investment through those banks, or deposit funds which are separate from the City of Diamondhead General

Fund. I am recommending that the City Manager be given the ability to deal with any bank within the boundaries of the City of Diamondhead that best meets the interests of the City.