



**KING COUNTY**

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

**Signature Report**

**June 13, 2000**

**Motion 10956**

**Proposed No. 2000-0288.2**

**Sponsors McKenna**

1           A MOTION approving specifications for the provision of  
2           financial services, and authorizing the executive to seek bids  
3           for provision of those services.

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6           WHEREAS, K.C.C. chapter 4.14 requires that financial services be bid every  
7           three years through a competitive process, and

8           WHEREAS, the King County executive has prepared an invitation to bid for King  
9           County banking services and safekeeping services for October 1, 2000, through  
10          September 30, 2003, and

11          WHEREAS, the King County council deems that the specifications provide for  
12          services that are in the best interests of King County;

13          NOW, THEREFORE, BE IT MOVED by the Council of King County:

14          The specifications for financial services, substantially in the form attached, are  
15          hereby approved and the King County executive is authorized to seek bids from qualified

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16 financial institutions for the provision of those services.

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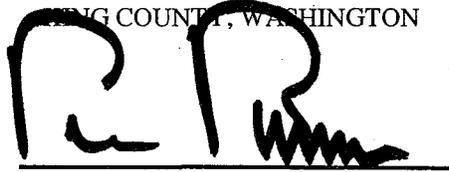
Motion 10956 was introduced on 5/15/00 and passed by the Metropolitan King County Council on 6/12/00, by the following vote:

Yes: 12 - Mr. von Reichbauer, Ms. Miller, Ms. Fimia, Mr. Phillips, Mr. Pelz, Mr. McKenna, Ms. Sullivan, Mr. Pullen, Mr. Gossett, Ms. Hague, Mr. Vance and Mr. Irons

No: 0

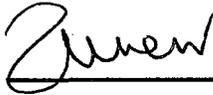
Excused: 1 - Mr. Nickels

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON



Pete von Reichbauer, Chair

ATTEST:



Anne Noris, Clerk of the Council

**Attachments** Attachment A, dated 06-07-00 - Specifications - Banking and Safekeeping Services - October 2, 2000 through September 30, 2003

**10956**

# **S P E C I F I C A T I O N S**

## **Banking & Safekeeping Services**

**October 1, 2000 thru  
September 30, 2003**

## I. INTRODUCTION

### A. Definitions

# 109564

1. "**Bank**". The qualified public depository which is selected to provide either banking and/or safekeeping services, or both, to the Manager.
2. "**Business Day**". Any day on which the County is open for business.
3. "**Contract**". The Banking Services Agreement.
4. "**King County Accounts**". All accounts for which the Manager is responsible by statute, King County Charter or ordinance (including school and other Special Purpose District Accounts) and into which monies are deposited under the Contract; provided, however, that the Contract shall not be construed to be exclusive or preclude the Manager from obtaining services from any other bank.
5. "**Manager**". The Treasury Division Manager of the King County Finance Department who, by King County Code 2.16.030.C and 4.20.020 is delegated the functions and duties of the statutory County Treasury (Chapter 36.29 RCW). The Manager performs the functions of treasurer of the County and ex officio treasurer of all school and other special purpose districts within King County.
6. "**Proposal Documents**". As referenced throughout this and the attached documents shall include all parts of this Invitation To Bid ("ITB"), plans, specifications, Contract forms, supplemental specifications, special provisions, Contracts, addenda, and any and all other parts of the ITB and the bank must follow the same in response to this ITB.
7. "**Special Purpose Districts**". Those special purpose districts within King County (e.g. school, water, fire, sewer, hospital, etc.) whose funds are deposited with the Bank under the banking services agreement (hereinafter the "Contract").

### B. Background

Chapter 4.14 of the King County Code requires King County (the "County") to acquire its banking and safekeeping services through a competitive process every three years. The Manager by way of this document solicits bids for the provision of banking and safekeeping services during the period October 1, 2000 through September 30, 2003.

*This solicitation consists of two separate bid portions. Proposers are allowed to respond to either, or both, the banking and safekeeping portions. King County will review each portion separately and award the contract(s) on the basis of total least cost for King County.*

### C. General Requirements (The following sections 1 and 2 do not pertain to proposers of safekeeping services only.)

1. "**Locations within King County**". A proposer for the banking services portion must be a federally or State of Washington chartered bank with branch banking facilities located within King County. If the headquarters office of the proposer is not located inside the County limits, branch banks of the proposer located within the County must be able to offer the full range of banking services required by this ITB. Any question as to whether a proposer meets this qualifying condition may be submitted to the Manager in writing prior to submission of a proposal. Branch banks in the major populated areas of King County are highly desirable to provide convenient deposit locations for King County facilities and other taxing districts. Exhibit

C is a map of the King County Council Districts. Banks making bids must have, at the time the bid is made and must maintain during the course of the Contract, offices in at least nine of these districts including a full service office in downtown Seattle.

2. **Public Deposit Protection Act.** A proposer for the banking services portion must be in compliance with, at the time of bidding, and remain in compliance with, during the term of the Contract, all applicable federal, state and city laws, ordinances, rules and regulations (and all amendments) including but not limited to the Washington Public Deposit Protection Act (Chapter 193, Laws of 1969, First Ex. Session as amended, Chapter 39.58 RCW). It must be, and remain during the term of the Contract, a qualified public depository as defined in the Washington Public Deposit Protection Act with a capital structure sufficient to support the deposit of \$200 million by the Manager. A proposer must submit its latest public depository's consolidated report of condition filed with the Washington Public Deposit Protection Commission as evidence of its ability to meet the capital structure requirements stated above. The bank selected to perform banking services for the Manager shall maintain a capital structure sufficient to support the Manager's deposits during the term of the Contract.
3. **Community Reinvestment Act (CRA) Rating.** A proposer for either bid must, at the time of bidding, have one of the top two CRA ratings (Satisfactory or Outstanding).

#### D. Bid Calendar

1. **June 22, 2000** - King County Procurement Division shall distribute Invitations To Bid to all interested banks.
2. **July 6, 2000, 10:00 A.M.** - Finance Conference Room #610, King County Administration Building - A conference will be conducted with all interested banks to answer questions on the form and content of the Invitation To Bid. Attendance is strongly urged. If any changes to the specifications result, they will be reduced to writing and made available as addenda to these Proposal Documents to all banks who have received an Invitation To Bid. Participating banks will be asked to sign a receipt for the addenda to the Proposal Documents.
3. **July 27, 2000, 2:00 P.M.** - Bids for the provision of banking and safekeeping services will be due at this time. All bids received later than this time will be returned to the banks unopened. All bids must be submitted in sealed envelopes bearing on the outside the name of the bank, the bank's address, and the words "King County Banking and Safekeeping Services." The bid must be signed in the name of the bank and must bear the signature of a person duly authorized to sign the bid and bind the bidder to its terms. Include the name, office address, and office telephone number of the bank representative qualified to answer questions which may arise during the review process.
4. **August 4, 2000** - The Manager will evaluate all bids which were received timely, but reserves the right to reject any and all bids in whole or, as to items identified as optional, in part, to waive any and all informalities, and to request clarification of minor and nonsubstantial items.
5. **August 11, 2000** - Award of Contract will take place on or before this date. It is expected that Contract execution will be within 30 days of the award.

#### E. Terms and Conditions

1. Statistics are contained in these Proposal Documents in order to provide as much information as possible to qualified banks. The information contained herein is, to the best of our knowledge, a true representation of historical experience, but the Manager is in no way representing that these statistics will hold true for the future. The volume levels represent

consolidation of all King County Bank Accounts included in the County's current main banking relationship.

2. Banks shall thoroughly examine and be familiar with these specifications. The failure or omission of any proposer to receive or examine these documents shall in no way relieve any proposer of obligations with respect to these proposed documents or the Contract. The submission of a bid shall be taken as prima facie evidence of compliance with this paragraph.
3. Bidders are obligated to provide services at the indicated bid level for all King County bank accounts, including those of Special Purpose Districts, for the entire length of the Contract. Any new accounts opened during the Contract period will also be provided services at the bid prices.
4. **Confidentiality.** The Bank, its officers, agents, and employees, shall maintain the confidentiality of all information provided by the County or acquired by the Bank in the performance of the Contract, except upon the prior written consent of the King County Treasury Division or pursuant to an order entered by a court after having acquired jurisdiction over the County. The Bank shall immediately give to the County notice of any judicial proceedings seeking disclosure of such information.
5. **Community Reinvestment Performance.** During the term of the Contract, the Bank shall make affirmative efforts to reinvest its funds in the local community. To document its efforts, the Bank shall provide to the County the following:
  - a) documentation of the Bank's most current Community Reinvestment Act (CRA) rating, as determined by the Financial Institutions Examination Council (FIEC), and all subsequent ratings received by the Bank during the term of the Contract; and
  - b) copies of the most recent FIEC's written evaluation of the Bank's CRA rating and any comments by the Bank or public which have been registered, and copies of all subsequent FIEC written evaluation and comments by the Bank or public which have been registered during the course of the Contract.
6. **Extent of Agreement.** The provisions in the Invitation To Bid and Contract represent the entire and integrated agreement between the County and Bank and supersede all prior agreements. The term of the Contract(s) is for three years from the date of October 1, 2000. However, the parties agree that the County shall have the option to extend the terms and conditions of the Contract beyond the expected expiration date of the Contract on a month-to-month basis. To exercise this option, the County shall notify the Bank of its intention to exercise its option 30 days prior to the expiration of the Contract and thereafter by the 20th day of each successive month the Contract is extended.

#### F. Evaluation Criteria

1. **Cost.** Bids received from qualifying banks must be responsive to all requirements delineated in the Proposal Documents. Responsive bids will be evaluated on the basis of the least cost to the County as determined by the manager (See V.C. below).

#### G. Bid Form

The Bid Form (Exhibit A) must be completed for a bid to receive consideration. Banks bidding solely on banking services are required to complete only Part A of Exhibit A, and banks bidding solely on safekeeping services need to complete Part B of Exhibit A.

## II. BANKING SERVICE REQUIREMENTS

# 10956

### A. Account Maintenance

The Manager presently maintains approximately 259 accounts with various branches of its current service bank. The Manager encourages Special Purpose Districts to maintain their accounts with the service bank, minimizing the number of accounts held at other financial institutions.

1. **Balance Information.** The Bank must make available an electronic file in BAI format showing all detail of all accounts specified by the Manager by 7:00 A.M. the following business day. Time is of the essence and repeated failure to provide accurate and timely account balance information will be a substantial breach of the Contract. In situations where the account balances are not available by 7:00 A.M., the Manager will estimate such balances and place investments accordingly. King County will use the Sunguard Treasury Systems' to retrieve the BAI file and the Bank must provide Sunguard with the necessary login script to access the BAI files.
2. **Zero Balance Accounts.** The Manager requires zero balance account capability for various deposit accounts. In the present banking arrangement, the Bank automatically transfers the ending balances of accounts to the Main Account on a daily basis. An automated report showing the zero balance account transfers must be available through a dial-up network using a modem and IBM compatible PC. Zero balance account descriptions must include the bank account number and bank account name. An example of this report is shown in Exhibit D.  
  
Additionally, a zero balance account capability will be needed for the 26 warrant accounts. The Manager will establish a controlling account from which monies will be transferred daily to reimburse each warrant account for the warrants that have cleared. The negative balance in the controlling account will constitute a borrowing for which the manager will require a \$50 million line-of-credit, representing the County's estimate of the maximum amount of warrants cleared on a single day. Each day the Manager will transfer from the main bank account to the controlling warrant account an amount equal to the previous day's closing negative balance. Exhibit E provides a schedule of the 1999 daily borrowings for the County.
3. **Bank Statement.** A General Account bank statement for each banking day with documentation supporting all entries on the statement is required by 2:00 P.M. of the third subsequent banking day. The statement must list all deposits and withdrawals to the General Account statement or a total amount may appear on that statement with a subsidiary statement provided which lists the transfer detail. Monthly bank statements for accounts other than the General Account must be provided to each respective district with documentation supporting all entries on the statement within four banking days after calendar month end. Exhibit F consists of the current account statement.
4. **Multiple Deposit Locations.** A 'subaccount' capability for depository accounts is required. As an example, for the single King County Parks Department zero balance account, we will require daily deposit information for each park, pool, activity center or playfield (approximately 30 revenue centers). The total direct transfer amounts by individual revenue center (subaccount) must be provided to the Manager via an automated report or as part of the BAI file. The current report created from the file is shown as Exhibit G.
5. **Other Accounts.** Special Purpose Districts whose accounts are placed with the Manager will provide for the printing of checks, warrants, endorsement stamps, and deposit slips at the districts' own expense. The bank will provide for the printing of checks and deposit slips for the

General Account only.

# 10956

6. **Account Analysis.** The Bank shall provide the Manager with an account analysis within 20 days after the end of the month. The analysis must detail all activity levels and charges for all accounts covered by this Contract. Any activity information that is not part of the Bank's standard account analysis, e.g. balance reporting charges and ACH activity, must be provided in a supplemental report format. The account analysis must be presented both in a hard copy report format as well as in an Excel spreadsheet. Exhibit H consists of the current account analysis.

The monthly account analysis must include a consolidated report summary that shows the total activity levels and charges for all King County bank accounts. The Bank must provide sufficient documentation for all activity charges and the manager will make the sole determination of whether adequate information has been provided. The Manager, County Auditor and State Auditor and representatives and third parties authorized by the Manager, County Auditor and State Auditor, shall have the right to examine any records that support the monthly analysis. Exhibit I provides an example of a recent account summary.

The Bank must provide the capability of dividing the account analysis into separate subdivisions representing various individual districts or group of districts. Currently, the County has established 16 separate subdivisions. A summary report of costs must be provided for all subdivisions.

7. **Record Retention.** The Bank shall retain all records related to the performance of this Contract for the period required by law. The Manager and representatives and third parties authorized by the Manager shall have the right to examine these records during this period.
8. **Float Analysis.** The Bank shall provide the Manager with monthly float analysis reports which include availability and end point analysis summaries.

## B. Deposit Services

The Manager will take steps necessary to facilitate the quickest possible collection of deposits, such as frequent deposits during the day, separation of large items into "special" deposits, and immediate notification to the Bank of items deserving special handling. The Manager will segregate checks received at the Treasury Division and drawn upon major local banks and deposit them directly to these banks. Daily wire transfers of these deposits to the General Account will be made. During the two property tax collection periods (April and October), the County makes early morning deposits that are processed through the Seattle Clearing House. The Manager will consider bids subject to specified additional acts of the Manager to enhance collection of deposits. The majority of all checks deposited by the King County Office of Financial Management will be MICR encoded.

In addition to the deposits made by the Manager and those made into zero balance accounts described in II.A. above, several County agencies and Special Purpose Districts deposit amounts into accounts at other local banks and subsequently transfer these amounts to the General Account. One example is the Port of Seattle, which maintains a lock box agreement with an independently selected bank.

It is expected that the Bank will provide timely and professional handling of deposit services for all accounts included within this Contract at all branch locations. In any instance where the Manager has determined that this has not occurred, the Bank will timely meet with the Manager and outline a corrective plan of action.

In determining the King County accounts' collected balances, the Bank will provide the actual funds availability which will be at least as favorable to the Manager as that shown in the Bank's most recent

**10956**

availability schedule.

The Bank shall include all deposits received at its main office by the later of 4:45 P.M. or regular Bank closing time in the determination of the King County accounts' ledger balances for the same day. The Bank shall similarly give same day ledger credit for amounts deposited at any of its branches by closing time of that branch's latest opened staffed facility. In addition, the Bank shall make special provision to accept deposits and give same day account ledger balance credit up to at least 5:30 P.M. on the two property tax delinquency dates (under current law, April 30 and October 31 of each year or the Monday following such date if these dates occur on a Saturday or Sunday). Cash deposits for the General Account are sent to the Bank by armored car periodically throughout the day at County Expense.

The Bank must include on the bid form the latest time that MICR encoded deposits will be accepted at its operations center for same day credit.

**C. Investment Services**

The Manager conducts an aggressive investment program on behalf of King County and all school and other special purpose districts within King County under the authority of Chapter 36.29 RCW. The Manager invests in US government and US agency securities, bank and thrift institution certificates of deposit, bankers' acceptances, commercial paper and repurchase agreements involving these instruments.

**D. Wire Transfer Services**

The Bank will be required to maintain wire transfer facilities to the Federal Reserve Bank. The Bank must provide automated dial-up wire transfer facilities to initiate outgoing transfers and receive data on incoming wire transfers.

The Bank will assure that, except in cases of wire service malfunction or receiving bank system failure, outgoing wires sent pursuant to timely and correct wire instructions by the Manager are received by close of business at the wire destination. The Bank shall specify on the Bid Form the latest time of day or times of day when it can receive wiring instructions and assure that wires are received by the close of business at the wire destination. Incoming wires must be credited to the Manager as of the date the Bank receives credit.

**E. ACH Services**

The service bank will provide Automated Clearing House (ACH) transfer capability to allow receipts and disbursements through the ACH. Currently, 31 bank accounts are maintained for the provision of direct deposit of payroll for districts. It is possible that other direct deposit accounts will be opened during the term of contract.

**F. Warrant Services****10956**

There are presently 26 County and Special Purpose District accounts on which warrants are issued. Additional warrant accounts could be established during the term of the contract.

- 1) The Bank will accept all warrants issued on these accounts (except as may be specified by the Bank in its bid form in response to item IV.D. below) and provide the Manager with the total amount received for each account by 8:00 A.M. on the following banking day. See Exhibit J for daily warrant redemptions by dollar amount by day of bank's acceptance. The Bank agrees to present warrants drawn on King County Accounts only according to the terms of the Contract.
- 2) In order to meet the County's requirement for warrant processing, the Bank will hold warrants for one day before presentation to the County. On the banking day following acceptance, the Bank will present the warrants to the Manager who will determine if they are to be paid, designated as 'interest bearing' and returned to the Bank, or returned to the Bank for any of the reasons cited in F.7 below. The Bank may elect, at any time during the Contract term, to designate the Manager as its safekeeping agent for the purpose of holding interest bearing warrants until redeemed by the Manager.
- 3) In order for the Manager to determine whether or not to pay warrants on the date presented, the Bank will be required to provide to the Manager on the banking day following bank acceptance:
  - a) *Warrants sorted by MICR document number within MICR account number by 10:00 A.M.;*
  - b) *An Automated Reconciliation Plan (ARP) report listing the warrants, by account, by 10:00 A.M. The County is currently using Key Bank's ARP (See Exhibit K); and*
  - c) *Direct file transmission, or any other means approved by the Treasury Manager, of warrant paid data for input into the County's Warrant Reconciliation System by 6:00 A.M. This requirement will not be necessary once the installation of the County's new accounting system (SAP) has been completed.*

The total dollar amounts or warrants on these three items must agree (except for missing warrants as covered in paragraph 7, below). Time is of the essence, and failure to provide these three items when specified may result in the Manager's inability to redeem warrants presented.

4. On the day of warrant presentment to the Manager, the Manager will transfer from the General Account to the Bank any warrant interest due the Bank from interest bearing warrants redeemed on that day. Warrants drawn on each fund will be redeemed in chronological order of presentation with the oldest interest bearing warrants being redeemed first. Warrant interest paid to the Bank will be based upon the warrant interest rate bid by the Bank on the Bid Form.

Note: The occurrence of interest bearing warrants should be inadvertent. The Manager will encourage any Special Purpose District with such warrants outstanding for over one week to obtain funds in another manner.

5. If any warrant is not redeemed by the Manager for want of funds in the fund on which it was drawn, the Bank shall credit the General Account in the amount of such unredeemed warrant as of the day of its presentation to the Manager.

6. The Bank will accept from the Manager and return to the endorser all stopped, voided, and canceled warrants, and will give the County credit for payments made on such warrants. The Bank will also give the County credit for warrants for which the Manager has no record of issue provided the Manager returns such warrants for credit within twenty-four hours (one business day) of their receipt by the County. The Bank will accept, return and give credit for forged warrants whenever returned with a certification of forgery following mutual reasonable investigation and verification of forgery by the Manager and Bank.
7. The Bank will indemnify the Manager, the County and the appropriate Special Purpose District for any claim for payment made against them by the payee of a warrant drawn on any King County Account that satisfies the following conditions:
  - a) That the warrant giving rise to the claim and photocopy are missing;
  - b) That the warrant giving rise to the claim is listed on an Automatic Account Reconciliation printout previously presented to the Manager and for which the Manager has paid the Bank in an amount including the missing warrant;
  - c) The Bank is unable to provide sufficient evidence, of whatever nature, that the missing warrant was cashed or otherwise negotiated and presented to the Bank for payment; and
  - d) The County's warrant records have not been tampered with, destroyed, or otherwise impaired.

In all cases, Bank liability shall be limited to the amount of the missing warrant or warrants and the Bank shall have no liability unless the Manager notifies the Bank of such a claim within three (3) years from the date on which the warrant giving rise to the claim was issued.

#### **G. Courier Service**

The Bank will provide courier service to and from the Manager's office a minimum of one time each working day at a time mutually agreeable for pickup and/or delivery of magnetic tapes, letters of credit, warrants, float reports, and other essential documents.

#### **H. Credit Card Services**

The Bank may provide corporate credit cards to be used by County employees in the conduct of County business. In some cases, the County may require that a single card be used by more than a single individual. The County estimates that the total number of cards will not exceed 24 during the term of the Contract.

#### **I. Negative Ledger Balances**

1. Although it is the intent of the Manager to maintain positive ledger balances, there may be closing ledger balances that are negative in the General Account. The Manager agrees to pay the Bank interest on any negative monthly average collected balance as shown on the consolidated account analysis inclusive of all County balances. Interest will be paid at the rate bid by the Bank. The 1999 daily collected balances for the County's general account is shown in Exhibit L.

As mentioned above, the manager conducts an aggressive investment program, attempting to maximize the investable balances as much as possible. To this end the Manger opts to leave the consolidated bank accounts' balance as close to zero as possible. Often this is achieved by

allowing the main bank account to go negative.

**109564**

2. The foregoing paragraph will not apply if the negative ledger balances were the result of an error or omission on the part of the Bank, and in such cases, the Bank will correct the error with appropriate value given to the Manager's account.

#### **J. Contact Personnel**

The Bank shall provide and maintain a current list of Bank personnel who will be available to answer questions or provide information pertaining to all services or related transactions including, but not limited to:

- Monthly statement and charges
- Deposit float analysis
- Wire Transfers
- Account establishment and maintenance
- Warrant processing
- Safekeeping (if included in bid)
- ACH payments and receipts

The list will be provided to the Manager within 30 days of the Contract award. Bank will revise the list whenever any change of personnel occurs.

#### **K. Conversion Costs**

The Bank will provide, at no cost (except as provided in II.A.5.) to the County, any and all banking services or supplies (e.g. endorsement stamps, deposit slips, deposit bags) required to move the basic County banking services to the Bank. The County uses generic deposit bags and we do not anticipate the need for additional bags. We estimate that approximately 1,300 new endorsement stamps will be needed and enough deposit slips for 200 bank accounts.

#### **L. Other Services**

In response to this ITB, other services or innovative approaches which the Bank believes would be of benefit to the County may be proposed together with any associated charges and quantified monthly benefits to the County. The Manager, at his or her option, may accept a bid for basic banking services only or for basic banking services plus any or all of these other services offered by the Bank.

### **III. SAFEKEEPING SERVICE REQUIREMENTS**

#### **A. Account Maintenance.**

The Manager currently maintains a single safekeeping account into which all securities, except those used as collateral for repurchase agreements, that are purchased for the County and the Special Purpose Districts are safekept. The County currently uses tri-party repurchase agreements to provide for the safekeeping of securities purchased on repurchase agreements and are not kept in this account. In order to provide safekeeping service, the Bidder, or the Bidder's agent, must:

1. Maintain a Federal Reserve Account in order to handle book entry security transactions. The bidder will act as trustee for securities purchased by the Manager, necessitating that the Federal Reserve account into which the securities are transferred, be separate from the account into which the bank safekeeps its own securities.

2. Be able to safekeep physical securities in New York City either through its own facilities or through a correspondent relationship with a New York bank.
3. Dedicate a single individual solely to maintaining the County's account because of the volume of trade activity. This individual must be available by telephone during the hours 7:00 A.M. - 4:00 P.M. Pacific Standard Time. The bidder will provide adequate backup to ensure that the County's account is maintained during any absences of the individual dedicated to the account.

## **B. Safekeeping Services**

1. The Bank will act as safekeeping agent for the receipt and deposit of securities for the Manager. The Bank is authorized to use a New York City correspondent bank as their agent to take possession of physical securities in New York City for us.
2. The Manager, or an individual designated by the Manager, will provide specific instructions via telephone, electronic facsimile (FAX), or via electronic mail (e-mail), for each purchase or sale of a security. These instructions will include the face amount of the security, the coupon, cost, description, and any other pertinent information.
3. Security purchases will be made on a delivery vs. payment (DVP) basis. The bank will not make payment for the securities until the securities have actually been received. Receipt can occur either at the Bank itself, a correspondent bank in New York City, or in the Bank's account on the books of the Federal Reserve Bank for book entry securities.

All telephone instructions will be confirmed the same day in writing via messenger provided by the Bank or via electronic facsimile means. Notification of all purchases and sales will be given only in writing, generally one business day prior to security transfer. Telephone and written instructions will only be given by, and only accepted from, the persons identified by the County in writing. The Bank will not deliver securities being sold by the County nor pay out money for securities being purchased by the County until the Bank receives payment or the securities, respectively.

Payment of monies, receipt of monies, or transfer of securities will not occur unless the security received or delivered identically matches the County's description and the exact amount of money the County specifies is delivered or accepted, except that the Bank will accept money discrepancies of \$1.00 or less per security. The Bank will accept wired book entry securities delivered to the Bank for the County each day as long as the Federal reserve wire system is in operation.

The Bank will refuse to accept any physical security to be held for the County if it arrives with markings on it or its container stating that the security is the property of an entity other than the Treasury Division Manager of King County, Washington, or the broker/dealer from which the County is purchasing the security.

Whenever securities are directed to the Bank or the Bank's correspondent bank for our account, the Bank and the Bank's correspondent bank are automatically on notice that the County has a secured interest in the securities, and that the Bank and the Bank's correspondent bank hold those securities for the County.

4. Book entry securities are to be safekept in a trust account at the Federal Reserve Bank, in accordance with Section III A.1 of this ITB, with an entry in the Bank's books reflecting that the Bank holds those particular securities (or a quantity of securities that are part of a fungible bulk of government book entry securities) for the County.

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5. Physical securities being held in the Bank's trust department, or in the trust department of the Bank's correspondent bank, in all cases are to be marked with the notation on their face or conspicuously on their container that they are "property of King County Treasury Division, King County, Washington" from the time of the Bank's receipt of the security until the Bank delivers the security as instructed by the County.

6. A fail occurs when the seller of a security fails to deliver the security purchased either to the Bank, a correspondent bank, or the Federal Reserve Bank. The Bank must notify the Manager or the Manager's representative by telephone of all fails by 8:00 A.M. Seattle time one business day following the fail.

7. On the day of the Bank's receipt of securities for the County's account, the Bank will send the County either by courier or by electronic means, an individual safekeeping receipt of each security received for the County's account, and stating that the Bank has identified those securities on the Bank's books as belonging to the County.

8. The Manager shall direct that the County's brokers/dealers deliver all securities that are to be held by the Bank for the County to:

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\_\_\_\_\_

in the case of book entry securities; and to

\_\_\_\_\_  
\_\_\_\_\_

in the case of physical securities to be held in New York City; and to

\_\_\_\_\_  
\_\_\_\_\_

in the case of physical securities to be held in Seattle.

9. The Manager shall direct the County's brokers/dealers that all repurchase monies are to be wired to

\_\_\_\_\_  
\_\_\_\_\_

for book entry Securities held by the Bank; and to

\_\_\_\_\_  
\_\_\_\_\_

for physical securities held in New York City; and to

\_\_\_\_\_  
\_\_\_\_\_

for physical securities held in Seattle. The Bank will credit the County's account \_\_\_\_\_ immediately when the Bank receives payments for the County.

10. The Bank will work with the Manager in order to ensure that the safekeeping arrangement does

not adversely affect the daylight overdraft situation at the Manager's concentration bank.

- 11. The Bank will include, with the monthly account analysis, a separate schedule or other support document that clearly shows and details the previous month's charges.
- 12. The Bank will allow physical inspection by the County or the County's agents to verify segregation of the County's securities at any time during regular banking hours without prior notice and without charge to the County. The Bank will cooperate with the County in physically spot-checking the Bank's account at the County's correspondent bank and the Seattle Fed without notice to those entities, in order to confirm that they are holding for the Bank the proper quantity of a bulk of similar securities of which the County's securities are a part.
- 13. The following addresses shall be used for mailing of notices under this Agreement:

Cash Management Supervisor  
 King County Treasury Division  
 613 King County Administration Building  
 500 4th Avenue  
 Seattle, WA 98104

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- 14. By November 1, 2000 and every November 1st thereafter for the duration of this Contract, the Bank shall procure for the County a "letter of opinion" from an independent outside accounting firm regarding the sufficiency of the system of internal accounting control utilized by the Bank in relation to its obligation and services under the Contract.

**IV. COMPENSATION AND BID EVALUATION**

- A. It is the Manager's intent to pay for services provided by the Bank on a monthly direct payment basis after taking into consideration earnings on collected balances. The rates for these earnings will be as bid by the Bank.

If the contractually determined earnings on the collected balances maintained by the Manager for a given service month are insufficient to offset the monthly service charge, the Manager shall pay the Bank the remainder of the charges within 30 days after receipt of the monthly statement of itemized services required by Section II.A.6 of this ITB or with the concurrence of the Bank, the deficit shall be carried forward to the following month. If the contractually determined earnings on the collected balances maintained by the Manager exceed the monthly service charge, the excess shall be carried forward and credited against the following month's service charges except at the termination of the Contract when the Bank will pay the Manager any accumulated excess.

- B. The service charge will be computed by the Bank and presented to the Manager within 20 days after the end of each month. This charge will be based upon the services used in the service month at the rates as bid by the Bank.
- C. In determining the cost of services for bid evaluation purposes, the Manager will use the rates and formulas as bid by the Bank on the Bid Form for the services and assumed annual volumes listed below.

**10956**

## 1. Banking

## a) Service Charges

**109564**

<u>Descriptions</u>	<u>Assumed Annual Volume</u>
Stop Payments	1,627
Zero Balance Account	96
FDIC Insurance (Per \$1000)	3,863
Account Reconciliation Plan (ARP)	
28 Warrant accounts	
>Tapes/Transmissions	250
>Journals	250
>Warrants	900,841
Accounts (including ZBAs)	336
ACH Services - 21 Accounts	
>Tapes	71
>Transmissions	423
>ACH Debits	33,601
>ACH Credits	725,717
>ACH Returned Items	1,513
>ACH Reversals	854
BAI Files	
>Accounts	46
>Items (estimated)	1,385,387
Checks Deposited	
>Local Fed	3,314,133
>Other Fed	611,004
Courier	250
Deposits Posted	141,072
Deposit Items Returned	8,980
Deposit Slips	141,072

Redeposited Returned Items (estimate)	10,755
Checks posted	98,006
Cash Deposited	\$7,759,425
Coin Purchased	\$82,022
Cash Purchased	\$19,248
Domestic Wires	
➤ Automated Incoming	1,510
➤ Automated Outgoing/Non- Repetitive	480
➤ Automated Outgoing/Repetitive	563
Foreign Wires	
➤ Outgoing	100
➤ Internal Wire (book) Transfers	625

b) *Negative Collected Balance Charges*

This charge will be based upon the fixed or variable rate bid by the Bank and will be charged only if the average monthly collected balance, as shown on the consolidated account analysis for all accounts, is negative. For bid evaluation purposes, the "negative collected balance charge" will not be considered by the Manager in determining least cost to the County.

c) *Earnings on Collected Balances*

The above monthly charges will be offset by any earnings on collected balances maintained by the Manager in accordance with the formula and rate bid by the Bank. A one million dollar average monthly collected balance will be assumed.

d) *Line-Of-Credit*

The line-of-credit borrowing rate will be applied against the negative balance in the controlling warrant account, which will correspond to the total warrants cleared for all warrant accounts each day. The Manager may use the line-of-credit to control balances in the general account.

**10956**

**109564****2. Safekeeping**

<u>Descriptions</u>	<u>Assumed Annual Volume</u>
Purchases	
>Physical	149
>Book Entry	665
Maturities	
>Physical	178
>Book Entry	485
Dividend payments	242

**D. Warrant Interest Rate**

This is the rate or rates of interest to be charged by the Bank for warrants issued on King County Accounts which the Manager designates as interest bearing warrant(s). The Bank must specify the rate and any dollar, time or other limitations on interest bearing warrants which can be held by the Bank for individual funds, districts or in total and what actions it proposes to take should these limitations prevent the Bank from holding any interest bearing warrant. Such actions must include a good faith effort to cooperate with the Manager in arranging for another financial institution to hold the warrant(s). Financial reports on the districts issuing warrants will be available for review in the Financial Management Division of the Finance Department.

For bid evaluation purposes, "warrant interest rate(s)" will not be considered by the Manager in determining least cost to the County.

**E. Daylight Overdraft**

The Bank will describe its policy towards charging customers for any daylight overdraft situation. If the Bank charges for transactions creating an overdraft, the Bank must disclose the basis for any charges. Additionally, the Bank must disclose the effect its policy will have on the release of outgoing wire transfers.

**F. Other services**

A net monthly cost of any "other services" selected by the Manager will be determined by subtracting from the proposed monthly fees for the service the Manager's estimate of the monthly benefit to the County of the service.

**G. Conditional Bids**

If a bidder specifies any conditions or limitations on any of the services (required or optional) that it proposes, the Manager reserves the right to 1) reject the conditional bid or 2) to determine the cost associated with each condition or limitation and add that cost to the Bank's bid.

A sample completed Bid Form and Bid Evaluation Form are included as Exhibits M and N, respectively. These are for information purposes only. This Bid Evaluation Form will be completed by the Manager in the evaluation of the bid. The Bank is not required to complete Exhibit M or Exhibit N.

## V. EXHIBITS

- A. Bid Form
- B. Form of Contract
- C. County Council Districts
- D. Zero Balance Account Report
- E. Daily Warrant Borrowings
- F. Daily Bank Statement
- G. Daily Deposit Location Report
- H. Monthly Account Analysis
- I. Account Summary
- J. Daily Warrant Redemptions
- K. Automated Reconciliation Plan
- L. Daily Collected Balance - General Account
- M. Sample Bid Form
- N. Sample Bid Evaluation

**10956**

**KING COUNTY BANKING AND SAFEKEEPING SERVICES**  
**BID FORM**

Qualifications

Bank by signature below certifies that it is a Washington State Qualified Public Depository as defined in RCW 39.58.010 with eligible capital structure to support Manager deposits of at least \$200million. Attach Consolidated Report of Condition as of December 31, 1999, filed with the Public Deposit Protection Commission.

Bank by signature below certifies that it is not and will not, during the term of the Contract, be in violation of any applicable state, federal or local law including, but not limited to, labor employment standards and employment discrimination laws.

Bank by signature below certifies that it currently has branch bank facilities in at least nine King County Council districts and a full service office in downtown Seattle and that it will maintain at least one office in at least nine King County Council districts and a full service office in downtown Seattle during the term of the Contract. Attached is a list of all branch bank facilities located in King County.

Bank by signature below certifies that it has a Community Reinvestment Act (CRA) rating of either Satisfactory or Outstanding.

Responsiveness:

Having carefully examined the Invitation To Bid, and being familiar with all conditions and requirements surrounding the required services, the undersigned hereby proposes to furnish all requirements in accordance with the Proposal documents within the times set forth therein and at the prices stated below.

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**10956**

A. Cost of Banking Services

1. Service Charges:

- Stop Payments
- Warrants Processed
  - Per Item
  - Journal
- Account Reconciliation Plan (ARP)
  - Monthly Maintenance
  - Per Item
  - Journal
  - Other (list) \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
- Account Maintenance (excluding ZBA accounts)
- ZBA Account Maintenance
- FDIC Charge

- ACH Services (Transmission)
  - Tape
  - Transmission
  - Monthly Maintenance
  - ACH Debits
  - ACH Credits (one day)
  - ACH Credits (two days)
  - ACH Reversals
  - Other ACH (list) \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_

- BAI File
  - Monthly charge
  - Per account
  - Per file transmission
  - Per Item

- Checks Deposited
  - Local
  - Other Fed
  - Other checks (list) \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_

- Courier Charge
- Credits (Deposits) Posted
- Deposit Slips
- Debits (Checks) Posted
- Deposited Items Returned
- Redeposited Returned Items
- Cash Deposited
- Coin Purchased
- Cash Purchased

FEE	BASIS
\$	Item
\$	Item
\$	Report
\$	Month
\$	Item
\$	Item
\$	
\$	
\$	
\$	Account
\$	Account
\$	\$1,000
\$	
\$	Each
\$	Each
\$	Item
\$	
\$	
\$	
\$	Month
\$	Account
\$	File
\$	Item
\$	
\$	Item
\$	
\$	Month
\$	Item
\$	\$100
\$	\$100
\$	\$100
\$	
\$	
\$	

10956

Domestic Wires

- Automated Incoming
- Automated Outgoing (Repetitive)
- Automated Outgoing (Non-Repetitive)

International Wires

- Automated Outgoing (Repetitive)
- Outgoing

Internal Wire (Book) Transfers

- Repetitive
- Non-Repetitive

Other (list)

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

\$		Item

\$		Item
\$		Item

\$		
\$		
\$		
\$		
\$		
\$		

2. Negative Collected Balance Rate

3. (a) Collected Balance Earnings Rate

(b) Net Collected Balance (CB) Formula

This will determine the amount which will be multiplied by the rate in 3(a) above to obtain earnings to be offset against the monthly service charge.  
(Define with specificity each and every variable in formula)

4. Line of Credit Interest Rate

5. Interest Bearing Warrant Rate (Specify any and all limitations)

**10956**

**B. Cost of Safekeeping Services**

**Purchases**

- Physical
- Book Entry

\$		Item
\$		Item

**Maturities**

- Physical
- Book Entry

\$		Item
\$		Item

Dividend payments  
Safekeeping Account Charge

\$		Item
\$		Month

**Other (list)**

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

\$		
\$		
\$		

NAME OF BANK \_\_\_\_\_

Signature of Authorized Official \_\_\_\_\_

Name of Authorized Official \_\_\_\_\_

Title of Authorized Official \_\_\_\_\_

Office Address \_\_\_\_\_

Telephone Number \_\_\_\_\_

If different from above, person qualified to answer questions about this bid:

Name \_\_\_\_\_

Title \_\_\_\_\_

Office Address \_\_\_\_\_

Telephone Number \_\_\_\_\_

Deadlines:

1. Latest time of day when the bank can receive wiring instructions and assure wires are received by the close of business at the wire destination: \_\_\_\_\_ P.M.
2. Latest time of day when the bank can receive an ACH file for next day processing: \_\_\_\_\_ P.M.
3. Latest time of day that bank will accept MICR encoded deposits at its operations center for same day credit: \_\_\_\_\_ P.M.
4. Latest time of day that bank will accept deposits at branch locations for same day credit:  
\_\_\_\_\_ P.M.
5. Latest time of day that bank will accept deposits for processing through the Seattle Clearing House:  
\_\_\_\_\_ A.M.

**10956**

BANKING AND SAFEKEEPING SERVICES CONTRACT  
BETWEEN KING COUNTY AND \_\_\_\_\_  
FOR 2000-2003

This Agreement is made and entered into under the authority of King County Code Chapter 4.14, King County Motion No. \_\_\_\_\_ (passed \_\_\_\_\_), and RCW Chapter 36.29 between the King County, State of Washington, Treasury Division Manager of the Finance Department ("Manager"), and \_\_\_\_\_ ("Bank") (together, the "Parties"), on the date of the signature below of the authorized agent for the last party to sign this Agreement.

In consideration of payments, covenants, and agreements hereinafter mentioned, to be made and performed by the parties, the Parties covenant and agree as follows:

1. Term and Related Documents: The provision of all services called for by this Agreement shall commence on or before October 1, 2000. This Agreement shall remain in full force and effect through September 30, 2003, unless earlier terminated or modified in accordance with its terms or the terms of the Related Documents. Related Documents shall herein refer collectively to the Invitation to Bid ("ITB") dated \_\_\_\_\_ the Bank's bid dated \_\_\_\_\_ [with any negotiated clarifications or modifications thereto], and all attachments and exhibits to the aforementioned documents, all of which are incorporated herein and by these references made a part hereof unless the provisions of the related documents are in direct conflict with the terms of this Agreement.

2. Description of Work: The Bank shall perform all services as specified herein and in the Related Documents except that as to services identified by the Manager in the Related Documents as being optional or desirable, only those services bid on by the Bank and selected by the Manager in the Bid Award or other Related Document shall be part of the services required.

3. Compensation: The Manager shall compensate the Bank as specified in the Related Documents. If the Bank provides the Manager with any services after October 1, 1997, that are not covered by any other or subsequent Agreement, the Manager shall compensate the Bank for those services in accordance with the Bank's standard corporate service charge schedule in effect at the time the services are rendered.

4. Liability for Errors, Omissions, delays, and Failures: Except for transactions subject to U.C.C. Article 4A, adopted in Washington as RC . W 62A.4, delays, errors, omissions, and failure shall be handled as follows:

A. To the extent proximately caused by the Bank or its equipment, agents, or employees (including as a result of labor difficulty), or by natural or man-made disaster, failure to power supply, transportation or communication, the Bank shall (1) compensate the Manager for any loss (including loss of expected investment earnings) to King County Accounts, (2) promptly remedy the problem at its own expense if feasible, or make other arrangements at its own expense to provide the contracted services within a reasonable period of time, and (3) consult with the Manager and obtain his or her approval before implementing any proposed remedy or alternative service.

B. To the extent proximately caused by the Manager or his or her equipment, agents, or employees, the Manager shall be responsible for making the Bank whole for any loss suffered by the Bank in connection with the services under this Agreement.

5. Hold Harmless and Indemnification: The Bank, its officers, agents and employees, agrees to hold harmless, indemnify, and defend at its own expense, the County, its officers, agents and employees, from and against any and all claims (including demands, suits and judgments) arising out of the Bank's performance of its obligations under the Contract.

6. Insurance and Bond Requirements: The bank shall procure and maintain for the duration of the Contract:

A. Banker's Blanket Bond to include Employee Dishonesty/Faithful performance, Vault Insurance coverage and other elements of insurance coverage needed to protect the interests of King County. Limits must be of sufficient size to protect the interests of King County.

B. Mail Insurance Policy with sufficient limits to protect the maximum value of each shipment and to include coverage for all modes of transmittal used in the handling of the service requirements of King County.

C. General Liability Insurance Policy to cover exposures associated with the Bank being a service representative of King County, with limits sufficient to protect the interests of King County. The Bank shall furnish the Manager with certificates of insurance as proof of compliance with the above requirements. The certificate is to be provided on a form provided by or approved by the Manager. The Manager reserves the right to require complete, certified copies of all required insurance policies at any time.

7. Default/Termination/Cancellation: In the event that either party defaults in its obligations under this Agreement, such default shall be grounds for termination or cancellation of this Agreement by the non-defaulting party as follows:

A. Default/Termination: The right to terminate or cancel this Agreement shall be exercised by sending written notice to the defaulting party setting forth the specific grounds for the termination or cancellation. The defaulting party shall have 20 calendar days from receipt

of the above-mentioned notice to cure its default. Repeated defaults of the same nature shall not be deemed cured unless they are avoided for a continuous period of 120 days. If the default is not cured within the 20 days, the termination or cancellation shall become effective at the option of the non-defaulting party at the expiration of the 20-day cure period in the case of default by the Bank, or 270 days after receipt of the default notice in the case of default by the Manager.

Whether or not the non-defaulting party exercises its right to terminate the contract, the defaulting party shall be liable for damages for any default, including reasonably foreseeable incidental and consequential damages.

B. Cancellation for convenience of County: The County may terminate the Contract in whole or in part upon 30 days written notice to the Bank. In such event, the County will compensate the Bank at the contract rate for services performed through the effective date of the cancellation, which shall be in full and complete satisfaction of the Bank's claims.

C. The Manager and the Bank shall schedule regular monthly meetings to review any outstanding issues regarding service levels, needs and/or proposed service changes in order to minimize the possibility of default by either party.

D. If, after the date of this Agreement, the Bank is subjected to changes in law or regulation, not including changes in the cost of procuring money, credit, services or goods, that make carrying out its obligations under this Agreement illegal or impracticable, the Bank shall give written notice to the Manager of such changes and their impact on the Bank. The Parties shall attempt in good faith to renegotiate this Agreement as necessary to bring the Agreement or the provision of services into compliance with the new law or regulation. If, after 45 days from the receipt of such notice by the Manager, the Parties are not able to so renegotiate this Agreement, and the illegality or impracticability is substantial in nature, then the Bank may give written notice to the Manager of its decision to terminate this Agreement, and such termination will be effective 60 days after the Manager receives the termination notice in the case of a substantial illegality, and 120 days after the Manager receives the termination notice in the case of a substantial impracticability.

E. Pursuant to RCW 49.28.040, 49.28.050 and 49.28.060, this Agreement may be canceled by the Manager or the officers or agents of King County authorized to contract for or supervise the execution of such work, in case such work is not performed in accordance with the published policies of the State of Washington, relating to such work. No added liability shall attach to the Manager or King County by reason of entering into this Agreement, except as expressly provided in this Agreement and the Related Documents.

8. Venue and Choice of Law: It is mutually agreed that the venue of any suit or action brought in connection with the Contract shall be the Superior Court for King County, Washington. The Contract shall be governed by the law of the State of Washington.

9. Confidentiality: The Bank, its officers, agents, and employees, shall maintain the confidentiality of all information provided by the County or acquired by the Bank in the performance of the Contract, except upon the prior written consent of the King County Treasury Division or pursuant to an order entered by a court after having acquired jurisdiction over the County. The Bank shall immediately give to the County notice of any judicial proceedings seeking disclosure of such information.

The County will maintain the confidentiality of any information given to it by the Bank in the Bank's performance of this Agreement if such information is exempted from public disclosure pursuant to RCW 42.17. The County will consult with the Bank prior to disclosing any information received from the Bank that is not directly related to the County's accounts. If the Bank requests that the County not disclose information to a person seeking disclosure pursuant to RCW 42.17 and the person seeking disclosure prevails in a court action, the Bank agrees to indemnify the County for any attorney fees or penalties awarded pursuant to RCW 42.17, if the Bank received written notice of the action prior to the award.

10. Severability: Should any provision of the Contract be declared unconstitutional, invalid, or void by a court of law, such decision shall not effect the validity or enforceability of the remaining provisions of the Contract.

11. Captions: The captions in this Agreement are provided for the convenience of the parties and have no effect on the construction or interpretation of any part hereof.

12. Community Reinvestment Performance: During the term of the Contract, the Bank shall make affirmative efforts to reinvest its funds in all segments of the community. To document its efforts, the Bank shall provide to the County the following information as it becomes available and is permitted by law:

A. Documentation of the Bank's most current Community Reinvestment Act (CRA) rating, and all subsequent ratings received by the Bank during the term of the Contract; and

B. Copies of the most recent regulatory agency's written evaluation of the Bank and any comments by the Bank or public which have been registered, and copies of all subsequent regulatory agency written evaluation and comments by the Bank or public which have been registered during the course of the Contract.

Any information received by the County pursuant to this provision shall be kept confidential in accordance with the terms of Section 9 above.

13. Minority/Women's Business Participation: King County Code Chapter 4.18 is incorporated by reference herein and the Bank fully agrees to the conditions of said Chapter. Failure by the Bank to comply with any requirements of this Chapter shall be a material breach of contract.

During the term of this Contract, the Bank shall:

A. Meet the goals of this Contract for contracting with minority/women's business enterprises. Goals for this Contract and any subsequent supplements, changes, or amendments to it are to make vigorous attempts in good faith to contact and contract with minority-owned and women-owned business certified as such by the State of Washington Office of Minority and Women's Business Enterprises and Recognized by the Director of the King County Department of Executive Administration.

B. The Bank shall provide an annual report to the King County Office of Civil Rights and Compliance (OCRC) and the Manager, covering efforts: a) made to solicit M/WB firms, OR, B) expenditures made to purchase goods or services from M/VB firms.

These reports shall be submitted according to the following timeline:

<u>Time Period</u>	<u>Report Due by</u>
October 1, 1999 - September 30, 2000	November 15, 2000
October 1, 2000 - September 30, 2001	November 15, 2001
October 1, 2001 - September 30, 2002	November 15, 2002

C. Maintain relevant records and information necessary to document compliance with King County Code, Chapter 4.18, and the Bank's utilization of minority and women's businesses in its overall public and private business activities, and shall include the right of the County to inspect such records.

14. Nondiscrimination: The Bank agrees to comply with the following:

A. During the performance of the Contract, neither the Bank nor any party subcontracting under the authority of the Contract shall discriminate on the basis of race, color, sex, religion, nationality, creed, marital status, sexual orientation, age, or presence of any **sensory, mental, or physical handicap** in the employment or application for employment or in the administration or delivery of service or any other benefits under this Contract.

B. The Bank shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations which prohibit such discrimination. These laws include, but are not limited to, Chapter 49.60 of the Revised Code of Washington, and Titles VI and VII of the Civil Rights Act of 1964.

C. If the Bank fails to comply with the King County Code Chapter 12.16, such failure shall be deemed a violation of that Chapter and material breach of the Contract. Such breach shall be grounds for cancellation, termination or suspension of the Contract, in whole or in part.

D. During the performance of the Contract, neither the Bank or any party subcontracting under the authority of the Contract shall engage in unfair employment practices as defined by King County Code, Chapter 12.18. If the Bank fails to comply with King County Code, Chapter 12.18, the Bank shall be subject to the procedures and penalties set forth therein. It is an unfair employment practice for any.

(1) employer or labor organization to discriminate against any person with respect to referral, hiring, tenure, promotion, terms, conditions, wages or other privileges of employment;

(2) employment agency or labor organization to discriminate against any person with respect to membership rights and privileges, admission to or participation in any guidance program, apprenticeship training program, or other occupational training program;

(3) employer, employment agency, or labor organization to print, circulate, or cause to be printed, published or circulated, any statement, advertisement, or publication relating to employment or membership, or to use any form of application therefore, which indicates any discrimination unless based upon a bona fide occupational qualification;

(4) employment agency to discriminate against any person with respect to any reference for employment or assignment to a particular job classification;

(5) employer, employment agency or a labor organization to retaliate against any person because the person has opposed any practice forbidden by this chapter or because the person has made a charge, testified or assisted in any manner in any investigation, proceeding or hearing initiated under the provisions of the King County Code, Chapter 12.18;

(6) publisher, firm, corporation, organization or association printing, publishing or circulating any newspaper, magazine or other written publication to print or cause to be printed or circulated any advertisement with knowledge that the same is in violation of King County Code, Chapter 12.18.030 C., or to segregate and separately designate advertisements as applying only to men and women unless such discrimination is reasonably necessary to the normal operation of the particular business, enterprise or employment, unless based upon a bona fide occupational qualification;

(7) employer to prohibit any person from speaking in a language other than English in the workplace unless:

(a) the employer can show that requiring that employees speak English at certain times is justified by business necessity, and

(b) the employer informs employees for the requirement and the consequences of violating the rule.

Federal, state and local laws prohibit discrimination based on disability. Section 504 of the Rehabilitation Act of 1973, as amended, requires that all recipients receiving federal monies be accessible to qualified/eligible persons with disabilities. All organizations and firms contracting with King County must comply with Section 504 accessibility. A 504 Self Evaluation and Corrective Action Plan for King County Contractors and the notarized Assurance of Compliance must be returned to the King County Treasury Division before the Contract will be signed by the County.

15. Delegation of Obligations: There shall be no delegation of the Bank's obligations under this Agreement without the Manager's prior written consent (which will not be unreasonably withheld) except that the Bank may delegate safekeeping functions for physical securities to be kept in New York City, under the strict conditions that the Bank is provided by the Bank's agent with same-day written itemized notice of securities received for us to the Bank's account in the form of physical securities in New York, along with written confirmation that the securities are held for the Bank and have been identified for the Bank's account, and on the further condition that the Manager may at any time during banking hours without notice and without charge to the Manager inspect your copies of such notices and confirmation, all of which the Bank must retain as required by law. The Bank shall be responsible for all acts and omissions of the Bank's correspondent bank just as for the Bank's own acts and omissions.

16. Successors: This Agreement shall inure to the benefit of and be binding upon the Parties' successors.

17. Modifications: The Parties may by mutual agreement modify this Agreement to add or delete services if the need arises, with corresponding negotiated changes to the compensation paid. No modification to this Agreement shall be effective unless made in writing and signed by authorized individuals for both Parties.

**KING COUNTY**

**BANK**

By \_\_\_\_\_  
Ron Sims  
King County Executive

By \_\_\_\_\_  
Title \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Approved As To Form**

NORM MALENG  
King County Prosecuting Attorney

By \_\_\_\_\_  
Deputy Prosecuting Attorney

Date: \_\_\_\_\_

# About King County

10956

Located on Puget Sound in Washington State, and covering more than 2,200 square miles, King County is nearly twice as large as the average county in the United States. With more than 1.5 million people, it also ranks as the 12th most populous county in the nation.

## King County Government Services

### Regional services.

King County provides regional services to all residents of the county, including people who live in cities. These include courts and related legal services, public health services, the county jail, records and elections, property tax appraisals and regional parks and facilities, including the Kingdome stadium and King County International Airport (Boeing Field). With the voter-approved merger of Metro and King County, county government has also assumed the responsibility for public transit and sewage disposal.

### Subregional services.

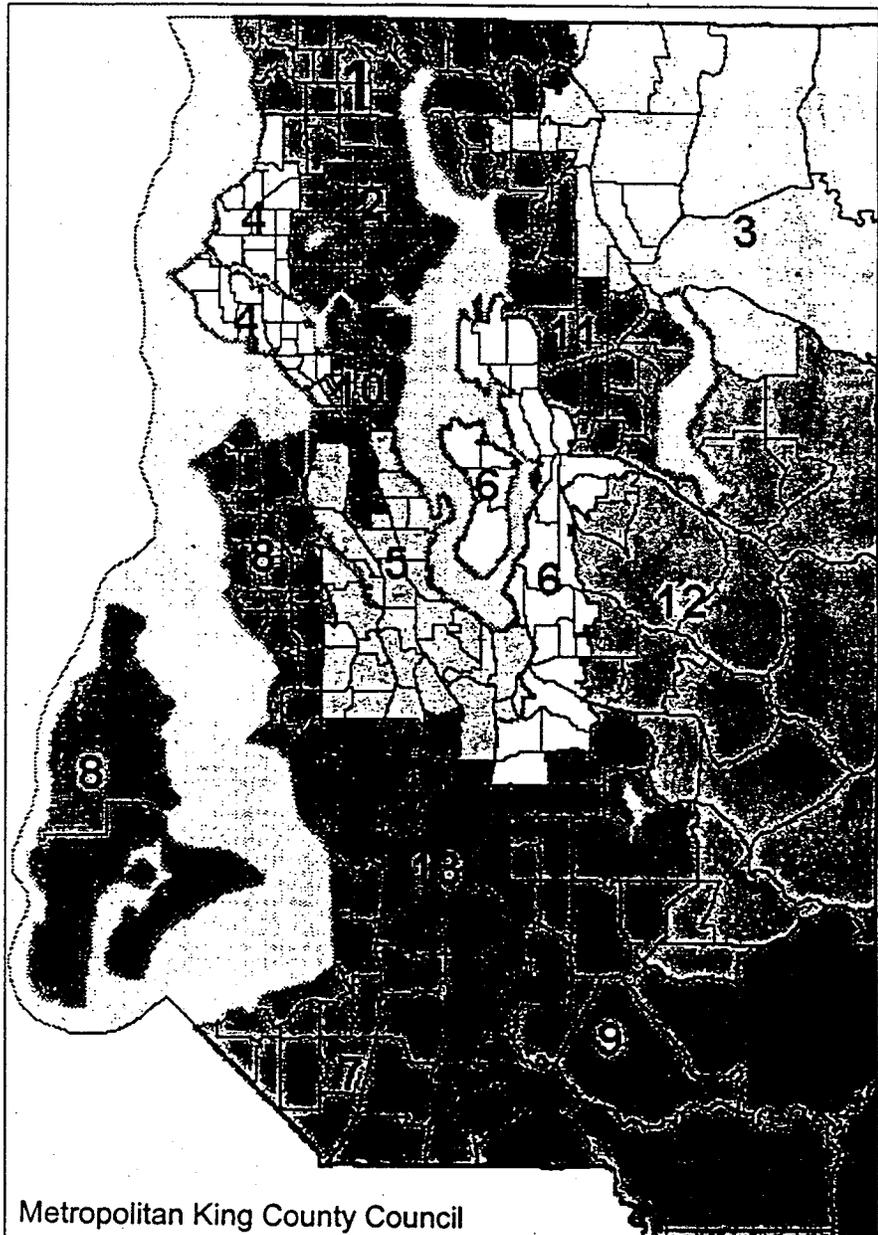
King County provides subregional services in many suburban cities, such as animal control.

### Local services.

In unincorporated communities, King County provides the services listed above and many local services, including land-use regulation, building permits, police protection, roads and local parks. Other local services in unincorporated communities are provided by fire, water, library and hospital districts which operate independently of county government.

The Metropolitan King County Council is the legislative branch of county government. It adopts laws, sets policies and holds final approval over the budget. Councilmembers represent geographic districts. Every county citizen, including city residents, has an opportunity to vote for a representative on the County Council.

The King County Executive is the elected executive officer of county government. Every citizen of the county has an opportunity to vote for the Executive, who is elected on a countywide basis.



Metropolitan King County Council

Maggi Fimia, District 1

Cynthia Sullivan, District 2

Louise Miller, District 3

Larry Phillips, District 4

Dwight Pelz, District 5

Rob McKenna, District 6

Pete von Reichbauer, District 7

Greg Nickels, District 8

Kent Pullen, District 9

Larry Gossett, District 10

Jane Hague, District 11

David Irons, District 12

Chris Vance, District 13

03/14/2000  
Page 1

KING COUNTY FINANCE DIVISION  
BALANCE REPORT (V)  
BALANCES REPORTED AS OF 03/13/2000 00:00

12500057 KEY BANK

ACCOUNT 0001652710

CLOSING LEDGER BALANCE	13,996,110.25
	12,036,538.25
CLOSING COLLECTED BALANCE	12,306.25
ONE-DAY FLOAT	12,024,232.00
TWO OR MORE DAYS FLOAT	1,959,572.00
TOTAL CREDITS	18,749,650.03
TOTAL DEBITS	15,215,585.99

ACCOUNT 0001795759

CLOSING LEDGER BALANCE	0.00
	0.00
CLOSING COLLECTED BALANCE	0.00
ONE-DAY FLOAT	0.00
TWO OR MORE DAYS FLOAT	0.00
TOTAL CREDITS	25,907.46
TOTAL DEBITS	25,907.46

ACCOUNT 0001795767

CLOSING LEDGER BALANCE	-9,606,251.46
	-9,606,251.46
CLOSING COLLECTED BALANCE	-9,606,251.46
ONE-DAY FLOAT	0.00
TWO OR MORE DAYS FLOAT	0.00
TOTAL CREDITS	6,694,540.20
TOTAL DEBITS	9,606,251.46

ACCOUNT 0001795775

CLOSING LEDGER BALANCE	0.00
	0.00
CLOSING COLLECTED BALANCE	0.00
ONE-DAY FLOAT	0.00
TWO OR MORE DAYS FLOAT	0.00
TOTAL CREDITS	115,938.59
TOTAL DEBITS	115,938.59

ACCOUNT 0001795783

CLOSING LEDGER BALANCE	0.00
	0.00
CLOSING COLLECTED BALANCE	0.00
ONE-DAY FLOAT	0.00
TWO OR MORE DAYS FLOAT	0.00
TOTAL CREDITS	2,524,648.44
TOTAL DEBITS	2,524,648.44

10956

1999 DAILY WARRANT BORROWING

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT
1	14,635,662.44	19,362,603.44	19,159,765.51	33,593,210.19	13,580,044.81	16,904,871.82	8,539,986.62	14,335,166.32	16,980,432.86	18,520,515.5
2	14,635,662.44	13,898,074.13	19,019,005.60	48,058,118.66	13,580,044.81	19,898,560.80	14,923,913.11	20,763,399.26	16,069,767.47	18,520,515.5
3	14,635,662.44	14,914,832.48	12,998,012.94	48,058,118.66	17,562,360.59	8,948,791.07	14,923,913.11	16,877,634.74	13,767,978.07	18,520,515.5
4	12,188,204.99	8,934,472.70	7,160,962.37	48,058,118.66	16,743,892.06	10,995,283.26	14,923,913.11	9,900,600.88	13,767,978.07	19,540,919.9
5	17,211,525.11	9,813,506.55	9,932,769.43	14,851,986.14	8,779,822.54	10,995,283.26	14,923,913.11	13,280,928.99	13,767,978.07	12,156,333.3
6	10,050,484.64	9,813,506.55	9,932,769.43	12,917,344.57	10,853,343.04	10,995,283.26	13,703,538.17	8,594,284.70	13,767,978.07	12,184,919.9
7	10,783,076.18	9,813,506.55	9,932,769.43	9,139,156.77	11,296,194.79	8,410,921.87	13,991,992.40	8,594,284.70	14,495,803.13	7,212,111.1
8	11,873,657.92	10,941,046.76	10,242,951.18	7,352,908.45	11,296,194.79	10,947,106.37	15,979,855.76	8,594,284.70	13,646,598.63	6,548,419.9
9	11,873,657.92	14,550,526.77	12,857,010.36	8,558,493.80	11,296,194.79	7,750,024.44	7,163,771.80	11,039,620.21	7,597,784.92	6,548,419.9
10	11,873,657.92	7,120,939.86	7,213,900.24	8,558,493.80	7,632,106.14	8,747,668.13	7,163,771.80	9,036,979.19	9,277,431.19	6,548,419.9
11	9,633,184.22	7,424,739.30	5,615,879.27	8,558,493.80	9,906,218.82	9,614,397.94	7,163,771.80	9,084,086.62	9,277,431.19	6,548,419.9
12	13,001,555.03	5,852,860.29	10,935,832.11	10,993,420.24	12,169,829.67	9,614,397.94	12,652,971.08	9,094,919.58	9,277,431.19	11,942,411.4
13	21,919,177.21	5,852,860.29	10,935,832.11	8,238,845.36	8,827,775.84	9,614,397.94	11,262,972.34	8,206,452.31	6,942,131.60	9,733,413.60
14	10,386,562.10	5,852,860.29	10,935,832.11	8,320,704.29	8,955,694.87	9,098,688.64	10,529,885.18	8,206,452.31	10,368,660.47	13,050,010.0
15	12,641,192.79	5,852,860.29	8,791,355.63	6,356,019.49	8,955,694.87	21,339,507.19	9,751,043.00	8,206,452.31	17,674,953.80	11,520,410.0
16	12,641,192.79	18,587,231.87	8,419,956.33	16,648,502.39	13,078,229.42	10,416,871.66	10,991,811.67	20,222,107.35	11,270,013.80	11,520,410.0
17	12,641,192.79	9,575,130.31	6,685,074.99	16,648,502.39	10,902,599.01	9,254,195.84	10,991,811.67	11,612,155.35	11,270,013.80	15,338,515.5
18	18,472,615.52	8,132,886.10	7,230,216.51	11,833,615.27	8,089,926.22	9,254,195.84	12,559,256.03	11,990,400.14	9,919,900.30	21,299,919.9
19	13,874,111.40	8,132,886.10	7,230,216.51	9,611,832.55	5,405,142.89	9,254,195.84	18,363,227.97	8,912,404.94	12,882,919.90	12,882,919.90
20	8,666,791.06	8,132,886.10	7,230,216.51	7,353,113.64	8,636,173.67	9,718,583.74	12,546,491.79	8,912,404.94	15,586,188.68	10,002,719.9
21	7,296,388.41	8,693,643.77	9,015,256.59	7,070,907.64	8,636,173.67	10,656,135.42	11,126,783.74	8,912,404.94	6,630,061.56	8,876,111.4
22	7,296,388.41	8,526,598.76	9,006,574.86	6,513,310.75	8,636,173.67	9,232,269.55	5,319,803.05	11,084,984.57	7,321,175.60	8,876,111.4
23	7,296,388.41	6,327,752.06	6,327,752.06	6,513,310.75	6,543,087.46	6,039,898.90	5,319,803.05	9,268,483.26	7,233,218.19	8,876,111.4
24	8,547,303.65	4,739,234.44	7,676,184.34	6,513,310.75	12,722,003.28	12,555,635.02	5,319,803.05	8,502,020.25	7,233,218.19	9,087,411.4
25	10,107,538.50	24,475,092.16	6,744,177.13	8,996,831.87	19,799,515.65	12,555,635.02	9,461,904.62	8,537,195.40	7,233,218.19	9,034,111.4
26	21,277,261.58	24,475,092.16	6,744,177.13	6,882,287.21	5,331,405.30	12,555,635.02	6,868,883.60	4,481,170.49	9,295,685.81	8,928,919.9
27	6,299,196.40	24,475,092.16	6,744,177.13	19,883,125.06	14,222,199.88	9,796,905.95	17,871,020.01	4,481,170.49	7,733,166.27	7,627,218.19
28										
29	13,276,157.49		21,490,120.81	4,913,877.01	14,222,199.88	10,865,531.85	9,624,758.59	4,481,170.49	7,255,187.54	14,677,218.19
30	13,276,157.49		9,394,570.79	13,580,044.81	14,222,199.88	26,445,832.94	14,335,166.32	14,320,514.10	15,845,455.46	14,677,218.19
31	13,276,157.49		19,628,555.97		14,222,199.88		14,335,166.32	20,903,620.06		14,677,218.19
	12,394,481.60	11,196,431.08	10,350,519.51	14,707,483.58	11,130,978.61	11,382,953.09	11,407,313.40	10,736,244.66	11,346,404.08	11,838,615.6

**10956**

Public Sector Statement  
 March 1, 2000  
 page 1 of 3



03 WA31050159 | 0163 00000 R DA T2

KING COUNTY TREASURY DIVISION  
 ATTN CAROLYN WELCH CONTROLLERS OFFICE  
 500 4TH AVE SUITE 613  
 SEATTLE WA 98104-2337

Questions or comments?  
 Call 1-800-KEY2YOU (1-800-539-2968)  
 24 hours a day, 7 days a week

**Key Public Checking 1652710**

KING COUNTY TREASURY DIVISION  
 ATTN CAROLYN WELCH CONTROLLERS OFFICE

Beginning balance 2-29-00	-\$42,751,362.89
65 Additions	+ 304,155,795.63
29 Subtractions	-256,695,457.39
<b>Ending balance 3-1-00</b>	<b>\$4,708,975.35</b>

Additions	Deposits	Date	Serial #	Source	
		3-1		Customer Deposit	\$46.90
		3-1		Customer Deposit	74.68
		3-1		Customer Deposit	395.00
		3-1		Customer Deposit	966.00
		3-1		Customer Deposit	993.25
		3-1		Customer Deposit	2,493.54
		3-1	301002669	Fedwire Deposit	9,104.15
		3-1		Customer Deposit	10,962.00
		3-1		Customer Deposit	13,132.36
		3-1		Customer Deposit	91,437.64
		3-1		Customer Deposit	106,137.38
		3-1		Customer Deposit	169,677.85
		3-1		Direct Deposit, Pay Mgt System Hhs Paymnt	331,472.00
		3-1	301003777	Fedwire Deposit	1,202,862.50
		3-1		Customer Deposit	1,368,790.34
		3-1		Direct Deposit, King CO Finance CD Redeem	1,782,472.82
		3-1	301008355	Fedwire Deposit	3,000,000.00
		3-1	301008267	Fedwire Deposit	123,262,945.00
		3-1	301005353	Fedwire Deposit	167,045,300.00

Transfers	Date	Serial #	Source	
	3-1		Funds Transfer From DDA Account 470011002834	\$35.00
	3-1		Funds Transfer From DDA Account 470011003097	552.00
	3-1		Funds Transfer From DDA Account 470011003295	669.00
	3-1		Funds Transfer From DDA Account 470011002784	859.72
	3-1		Funds Transfer From DDA Account 5730236	1,245.35
	3-1		Funds Transfer From DDA Account 470011003311	1,294.02
	3-1		Funds Transfer From DDA Account 8623902	1,453.36
	3-1		Funds Transfer From DDA Account 8641498	1,461.45

Date: 28-Mar-00

7408	161.29	161.29
7410	407.11	407.11
7414	225.20	225.20
7415	102.30	
7415	110.75	
7415	137.35	350.40
7416	441.55	441.55
7417	200.00	200.00
7418	225.20	
7418	153.40	
7418	159.00	
7418	414.30	
7418	597.75	
7418	209.05	1,758.70
7425	88.00	
7425	277.30	365.30
7426	33.50	33.50
8223	1,462.50	1,462.50
8243	9,097.04	9,097.04
7134761	209.00	
7134761	459.00	
7134761	146.50	814.50
7334761	5,353.40	5,353.40
Total	20,670.49	20,670.49

**10956**

KEYBANK NATIONAL ASSOCIATION  
4731

ACCOUNT ANALYSIS STATEMENT  
ACCOUNT DETAIL

KING COUNTY TREASURY DIVISION  
KING COUNTY ADMINISTRATION BUILDING  
ATTN SCOTT MATHESON

FOR PERIOD ENDING 02-29-00  
NUMBER OF DAYS IN MONTH: 29  
ACCOUNT 000001 65 271 0

UNCOLLECTED FUNDS RATE FOR THIS  
ACCOUNT IS 5.25000%

AVERAGE LEDGER BALANCE	\$11,266,154.87	AVERAGE DAILY POSITIVE COLLECTED BALANCE	\$7,610,064.60
LESS AVERAGE FLOAT	\$14,132,725.92	LESS COMPENSATING BALANCE	\$0.00
AVERAGE COLLECTED BALANCE	\$2,866,571.05-	LESS RESERVES AT 10.00%	\$761,006.46
		BALANCE AVAILABLE TO SUPPORT SERVICES	\$6,849,058.14
AVG DAILY NEGATIVE COLLECTED BAL	\$8,380,589.82-	MULTIPLIED BY NO. OF POS DAYS	10
NUMBER OF NEGATIVE DAYS	19	DIVIDED BY NO. OF DAYS IN MONTH	29
		ADJ BAL AVAILABLE TO SUPPORT SERVICES	\$2,361,744.18
AVG DAILY POSITIVE COLLECTED BAL	\$7,610,064.60		
NUMBER OF POSITIVE DAYS	10	EARNINGS CREDIT ALLOWANCE AT 06.0962%	\$11,407.22
		TOTAL SERVICE CHARGES	\$37,328.851
		NET SERVICE CHARGES	\$25,921.63

SVCS CODE	SERVICES	QUANTITY	UNIT PRICE	TOTAL SERVICE CHARGES	ADJUSTED BAL. NEEDED TO SUPPORT SERVICES
00	BALANCE & COMPENSATION INFORMATION				
00 02 11	UNCOLLECTED FUNDS CHG			\$22,840.540	\$4,728,676.99
00 02 30	FDIC ASSESSMENT			\$164.211	\$33,996.62
	SUB-TOTAL			\$23,004.751	\$4,762,673.61
01	GENERAL ACCOUNT SERVICES				
01 00 00	MAINTENANCE	1.00	5.0000	\$5.000	\$1,035.15
01 00 20	ZBA CONCENTRATION ACCOUNT	1.00	10.0000	\$10.000	\$2,070.30
01 04 11	ANALYSIS CHARGE	1.00		\$0.000	\$0.00
01 99 99	KEY TAX	29.00	1.0000	\$29.000	\$6,003.87
	SUB-TOTAL			\$44.000	\$9,109.32
10	DEPOSITORY SERVICES				
10 00 1Z	CASH DEPOSITED (PER \$100)	1,752.00	.0375	\$65.700	\$13,601.87
10 02 00	DEPOSITS	201.00	.2500	\$50.250	\$10,403.25
10 02 2Z	NON-LOCAL ITEMS	4,230.00	.0450	\$190.350	\$39,408.16
10 02 2Z	LOCAL ITEMS	17,321.00	.0200	\$346.420	\$71,719.33
10 04 00	CHECK CHARGE BACKS	26.00	1.0000	\$26.000	\$5,382.78
10 04 02	REDEPOSITED RETURNED ITEMS	44.00	4.0000	\$176.000	\$36,437.28
10 05 00	PRE-ENCODE DEPOSIT REWORK	37.00		\$0.000	\$0.00
	SUB-TOTAL			\$854.720	\$176,952.67
15	PAPER DISBURSEMENT SERVICES				
15 01 00	CHECKS PAID TO 500	7.00	.0900	\$0.630	\$130.42
15 13 42	PHOTOCOPY OF CHECKS	20.00	5.0000	\$100.000	\$20,703.00
	SUB-TOTAL			\$100.630	\$20,833.42
25	GENERAL ACH SERVICES				

10956





ACCOUNT ANALYSIS STATEMENT  
RELATIONSHIP SUMMARY

KING COUNTY TREASURY DIVISION  
613 KING COUNTY ADMINISTRATION BUILDING  
500 4TH AVENUE  
SEATTLE, WA 98104

FOR PERIOD ENDING: Jan-00  
NUMBER OF DAYS IN MONTH: 31  
NUMBER OF DAYS IN THE YEAR: 366  
ACCOUNT NUMBER: 1652710  
UNCOLLECTED FUNDS RATE FOR THIS ACCOUNT IS: 5.10000%  
MULTIPLIER/\$1 SERVICE CHARGE: 198.8

AVERAGE LEDGER BALANCE \$31,814,734.50  
LESS AVERAGE FLOAT \$27,859,541.91  
AVERAGE COLLECTED BALANCE \$3,955,192.59

AVG DAILY POSITIVE COLLECTED BALANCE \$3,955,192.59  
LESS COMPENSATING BALANCES \$0.00  
LESS RESERVES AT 10% \$395,519.25  
BALANCES AVAILABLE TO SUPPORT SERVICES \$3,559,673.34  
MULTIPLIED BY NO. OF POS DAYS 31  
DIVIDED BY NO. OF DAYS IN MONTH 31  
ADJ BAL AVAILABLE TO SUPPORT SERVICES \$3,559,673.34

ADJUSTMENTS:  
BACK-VALUE \$0.00  
AVG DAILY POSITIVE COLLECTED BALANCE \$3,955,192.59  
NUMBER OF POSITIVE DAYS 31

EARNINGS CREDIT RATE 5.94000%  
EARNINGS ALLOWANCE \$17,905.15  
TOTAL EXPENSES \$24,244.44  
NET EARNINGS POSITION (\$6,339.29)  
WARRANT FLOAT INTEREST (\$53,418.79)  
NET SERVICE CHARGE DUE (\$59,758.08)

WARRANT FLOAT (\$12,163,671.94)

SVCS CODE	SERVICES	QUANTITY	UNIT PRICE	TOTAL SERVICE CHARGES	BAL. NEEDED TO SUPPORT SERVICE
00	BALANCES & COMPENSATION INFORMATION				
	FUNDS USAGE CHG		0.00	\$0.00	\$0.00
	FDIC ASSESSMENT		452.30	\$452.30	\$89,917.24
	SUB-TOTAL			\$452.30	\$89,917.24
01	GENERAL ACCOUNT SERVICES				
	MAINTENANCE	259	\$5.0000	\$1,295.00	\$257,446.00
	ZBA CONCENTRATION ACCOUNT	4	\$0.0000	\$0.00	\$0.00
	ZBA SUBSIDIARY ACCOUNTS	97	\$4.0000	\$388.00	\$77,134.40
	PHOTOCOPY OF STATEMENTS	0	\$0.0000	\$0.00	\$0.00
	SPECIAL STATEMENT REQUEST		\$0.0000	\$0.00	\$0.00
	FAX SERVICE		\$0.0000	\$0.00	\$0.00
	KEY TAX	1	\$6.0000	\$6.00	\$1,192.80
	SUB-TOTAL			\$1,689.00	\$335,773.20
10	DEPOSITORY SERVICES				
	OTC CASH	590,929	\$0.0004	\$221.59	\$44,052.68
	CASH DEPOSITED	65,650	\$0.0375	\$2,461.87	\$489,420.55
	CURRENCY PAID OUT	2,213	\$0.0450	\$99.59	\$19,797.49
	COIN PAID OUT	3,124	\$0.0450	\$140.58	\$27,947.30
	DEPOSITS	11,867	\$0.1000	\$1,188.70	\$235,915.96
	LOCAL ITEMS	221,826	\$0.0200	\$4,436.52	\$881,980.17
	NON-LOCAL ITEMS	34,863	\$0.0450	\$1,568.84	\$311,884.39
	CHECK CHARGE BACKS	469	\$1.0000	\$469.00	\$93,237.20
	REDEPOSIT RETURNED ITEMS	659	\$0.2500	\$164.75	\$32,752.30
	COURIER CHARGE	1	\$100.0000	\$100.00	\$19,880.00
	MISCELLANEOUS FEES		\$0.0000	\$0.00	\$0.00
	SUPPLIES		\$0.0000	\$0.00	\$0.00
	SUB-TOTAL			\$10,849.44	\$2,156,868.04
15	PAPER DISBURSEMENT SERVICES				
	CHECKS PAID	1,829	0.0900	\$164.61	\$32,724.46
	WARRANTS PAID	76,888	0.0475	\$3,652.18	\$726,053.18
	STOP PAYMENTS	162	10.0000	\$1,620.00	\$322,056.00
	DELUXE CHECK FEE		0.0000	\$0.00	\$0.00
	CANADIAN DRAFTS		6.0000	\$0.00	\$0.00
	FOREIGN DRAFTS		14.0000	\$0.00	\$0.00
	PHOTOCOPY OF CHECKS		0.0000	\$0.00	\$0.00
	SUB-TOTAL			\$5,436.79	\$1,080,833.64

10956

1999 DAILY WARRANT REDEMPTION

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT
1	14,635,662.44	19,362,603.44	19,159,765.51	33,593,210.19	0.00	16,904,871.82	8,539,986.62	0.00	16,980,432.86	18,520,533.33
2	0.00	13,898,074.13	19,019,005.60	14,464,908.47	0.00	19,898,560.80	14,923,913.11	20,763,399.26	16,069,767.47	0.00
3	0.00	14,914,832.48	12,998,012.94	0.00	17,562,360.59	8,948,791.07	0.00	16,877,634.74	13,767,978.07	0.00
4	12,188,204.99	8,934,472.70	7,160,982.37	0.00	16,743,892.06	10,995,283.26	0.00	9,900,600.88	0.00	19,540,954.00
5	17,211,525.11	9,813,506.55	9,932,789.43	14,851,986.14	8,779,822.54	0.00	0.00	13,280,928.99	0.00	12,156,321.00
6	10,050,454.64	0.00	0.00	12,917,344.57	10,853,343.04	0.00	13,703,538.17	8,594,284.70	0.00	12,184,921.00
7	10,783,076.18	0.00	0.00	9,139,166.77	11,296,194.79	8,410,921.87	13,991,992.40	0.00	14,495,803.13	7,212,134.74
8	11,873,657.92	10,941,046.76	10,242,951.18	7,352,908.45	0.00	10,947,106.37	15,979,855.76	0.00	13,646,598.63	6,548,498.98
9	0.00	14,550,526.77	12,857,010.36	8,558,493.80	0.00	7,750,024.44	7,163,771.80	11,039,620.21	7,697,784.92	0.00
0	0.00	7,120,939.86	7,213,900.24	0.00	7,632,106.14	8,747,668.13	0.00	9,036,979.19	9,277,431.19	0.00
1	9,633,184.22	7,424,739.30	5,615,879.27	0.00	9,906,218.82	9,614,397.94	0.00	9,084,086.62	0.00	0.00
2	13,001,555.03	5,852,860.29	10,935,832.11	10,993,420.24	12,169,829.67	0.00	12,652,971.08	9,094,919.58	0.00	11,942,487.10
3	21,919,177.21	0.00	0.00	8,238,845.36	8,827,775.84	0.00	11,262,972.34	8,206,452.31	6,942,131.60	9,733,468.88
4	10,396,562.10	0.00	0.00	8,320,704.29	8,955,694.87	9,098,688.64	10,529,885.18	0.00	10,368,660.47	13,050,038.36
5	12,641,192.79	0.00	8,791,355.63	6,356,019.49	0.00	21,339,507.19	9,751,043.00	0.00	17,674,953.80	11,520,464.64
6	0.00	9,168,379.33	15,634,229.44	16,648,502.39	0.00	10,416,871.66	10,991,811.67	12,385,830.72	18,515,266.53	0.00
7	0.00	18,587,231.87	8,419,956.33	0.00	13,078,229.42	9,011,886.19	0.00	20,222,107.35	11,270,013.80	0.00
8	0.00	9,575,130.31	6,685,074.99	0.00	10,902,599.01	9,254,195.84	0.00	11,612,155.35	0.00	15,338,559.59
9	18,472,615.52	8,132,886.10	7,230,216.51	11,833,615.27	8,089,926.22	0.00	12,559,256.03	11,990,400.14	0.00	21,299,911.11
0	13,874,111.40	0.00	0.00	9,611,832.55	5,405,142.89	0.00	18,363,227.97	8,912,404.94	9,919,900.30	12,882,901.31
1	8,666,791.06	0.00	0.00	7,353,113.64	8,636,173.67	9,718,583.74	12,546,491.79	0.00	15,586,188.68	10,002,753.53
2	7,296,388.41	8,693,643.77	9,015,256.59	7,070,907.64	0.00	10,656,135.42	11,126,783.74	0.00	6,630,061.56	8,876,100.00
3	0.00	8,526,598.76	9,006,574.86	6,513,310.75	0.00	9,232,269.55	5,319,803.05	11,084,984.57	7,321,175.60	0.00
4	0.00	6,386,720.86	6,327,752.06	0.00	6,543,087.46	6,039,898.90	0.00	9,268,483.26	7,233,218.19	0.00
5	8,547,303.65	4,739,234.44	7,676,184.34	0.00	12,722,003.28	12,555,635.02	0.00	8,502,020.25	0.00	9,087,403.25
6	10,107,538.50	24,475,092.16	6,744,177.13	8,996,831.87	19,799,515.65	0.00	9,461,904.62	8,537,195.40	0.00	9,034,194.40
7	21,277,261.58	0.00	0.00	6,882,287.21	5,331,405.30	0.00	6,868,883.60	4,481,170.49	9,295,685.81	8,928,929.92
8	6,299,198.40	0.00	0.00	19,883,125.06	14,222,199.88	9,796,905.95	17,871,020.01	0.00	7,733,166.27	7,627,230.02
9	13,276,157.49	0.00	21,490,120.81	4,913,877.01	0.00	10,865,531.85	9,624,758.59	0.00	7,255,187.54	14,677,262.22
0	0.00	0.00	9,394,570.79	13,580,044.81	0.00	26,445,832.94	14,335,166.32	14,320,514.10	15,845,455.46	0.00
1	0.00	0.00	19,628,555.97	0.00	0.00	0.00	0.00	20,903,620.06	0.00	0.00



1999 COLLECTED BALANCE - GENERAL LEDGER

JAN FEB MAR APR MAY JUN JUL AUG SEP OCT

1	25,949,569.91	4,750,355.63	(8,910,311.24)	(18,602,769.44)	71,187,784.19	(62,979,122.87)	(9,983,419.96)	11,654,047.32	(33,302,173.05)	152,611,611.31
2	25,949,569.91	(10,341,637.07)	(6,730,473.26)	(19,944,532.88)	71,187,784.19	63,915,566.24	(2,023,381.74)	5,015,993.56	(7,570,322.55)	152,611,611.31
3	25,949,569.91	703,026.34	14,298,909.73	(19,944,532.88)	31,789,622.81	2,792,172.18	(2,023,381.74)	(1,904,000.05)	(6,394,804.46)	152,611,611.31
4	(22,133,869.14)	(2,395,918.63)	(14,005,088.15)	(19,944,532.88)	(47,341,701.64)	(3,751,694.13)	(2,023,381.74)	(22,009,728.92)	(5,807,045.42)	5,636,644.62
5	(13,971,993.80)	(9,532,947.03)	(9,155,293.01)	3,893,175.32	357,553.56	(3,751,694.13)	(2,023,381.74)	17,028,527.09	(5,454,389.99)	6,092,141.44
6	172,535.10	(9,532,947.03)	(9,155,293.01)	11,904,654.17	(20,546,980.95)	(3,751,694.13)	3,658,591.81	(981,134.35)	(5,219,286.37)	(6,453,949.94)
7	(886,633.38)	(9,532,947.03)	(9,155,293.01)	(2,499,498.34)	(45,298,847.52)	(3,144,388.58)	(6,614,906.20)	(981,134.35)	(7,476,405.60)	(3,900,477.93)
8	(3,345,978.70)	(3,592,073.48)	(3,592,073.48)	13,366,546.62	(45,298,847.52)	(298,492.97)	6,629,112.77	(981,134.35)	(7,476,405.60)	(3,900,477.93)
9	(3,345,978.70)	(7,324,863.38)	(154,392.41)	(10,598,694.62)	(45,298,847.52)	(1,652,606.77)	(14,753,914.21)	(2,821,385.75)	(6,878,556.55)	19,187,933.93
10	(3,345,978.70)	(3,592,073.48)	(2,363,660.72)	(10,598,694.62)	1,216,247.07	5,618,899.46	(14,753,914.21)	(4,567,852.36)	(5,091,642.30)	19,187,933.93
11	(4,418,573.92)	(2,635,336.28)	(2,239,987.13)	(10,598,694.62)	(2,790,716.55)	(3,232,751.80)	(14,753,914.21)	654,468.09	(3,611,439.72)	19,187,933.93
12	(5,577,378.32)	(1,604,848.15)	4,155,968.40	(23,012,927.86)	(3,172,441.26)	(3,232,751.80)	(244,736.80)	(6,032,423.06)	(2,386,270.91)	(2,446,133.13)
13	(258,395.57)	(1,604,848.15)	4,155,968.40	(5,556,351.78)	(2,303,408.75)	(3,232,751.80)	3,660,149.60	8,982,843.05	(1,950,501.70)	(11,320,744.74)
14	4,295,257.87	(1,604,848.15)	4,155,968.40	1,486,106.94	1,910,320.60	5,924,018.46	3,674,417.32	8,982,843.05	(1,055,862.19)	(19,656,799.99)
15	(3,996,909.52)	(1,604,848.15)	(11,231,592.00)	3,740,690.58	1,910,320.60	(2,737,036.79)	585,359.22	(612,362.16)	(30,911,299.99)	(30,911,299.99)
16	(3,996,909.52)	7,220,815.05	(1,382,161.07)	(7,596,471.24)	1,910,320.60	(332,836.10)	10,289,067.37	(6,990,963.17)	(287,755.59)	(30,911,299.99)
17	(3,996,909.52)	(11,523,811.65)	(1,301,481.00)	(7,596,471.24)	1,456,056.55	(1,615,646.76)	10,289,067.37	(9,693,357.13)	(439,294.02)	(30,911,299.99)
18	(3,996,909.52)	(3,681,778.21)	(9,336,092.95)	(7,596,471.24)	8,175,272.77	17,222,019.59	10,289,067.37	(6,649,279.22)	(573,994.85)	(26,541,899.92)
19	(11,292,411.03)	(6,083,269.40)	(13,500,227.80)	(1,564,921.01)	(2,463,199.73)	17,222,019.59	(5,628,737.70)	(3,192,932.08)	(694,516.64)	(28,299,911.03)
20	28,663,858.84	(6,083,269.40)	(13,500,227.80)	(3,093,692.67)	(15,070,128.65)	(15,695,639.97)	(12,869,725.01)	(17,401,940.50)	(607,015.70)	(2,032,222.22)
21	(3,368,134.98)	(6,083,269.40)	(13,500,227.80)	(1,564,921.01)	(15,070,128.65)	(15,695,639.97)	(12,869,725.01)	(17,401,940.50)	(927,296.29)	(12,670,919.91)
22	(2,884,687.16)	(9,702,539.84)	(19,769,986.03)	4,415,466.37	(15,070,128.65)	(18,818,979.79)	(4,806,223.47)	(17,401,940.50)	(1,357,596.45)	(48,537,484.88)
23	(2,884,687.16)	(7,579,653.90)	(2,184,001.57)	(10,331,729.72)	(15,070,128.65)	(23,344,483.47)	(8,319,271.20)	(1,262,680.72)	(2,294,066.49)	(48,537,484.88)
24	(2,884,687.16)	(7,948,474.87)	(1,875,543.33)	(10,331,729.72)	(14,895,098.28)	(12,521,052.07)	(8,319,271.20)	(2,840,284.22)	(3,529,517.39)	(48,537,484.88)
25	(24,376,148.89)	(12,525,621.80)	1,351,463.42	(10,331,729.72)	(17,647,153.87)	(10,740,856.00)	(8,319,271.20)	(3,785,236.68)	(4,666,132.22)	1,481,688.68
26	(27,880,995.97)	17,546.46	(1,876,790.22)	14,749,136.92	(14,965,132.98)	(10,740,856.00)	(7,921,322.06)	(1,787,446.83)	(5,715,315.13)	38,123,451.45
27	(25,018,771.37)	17,546.46	(1,876,790.22)	(9,025,735.91)	(7,491,651.56)	(10,740,856.00)	(418,853.44)	(2,567,273.43)	(5,862,103.89)	41,685,801.80
28	(27,514,767.89)	17,546.46	(1,876,790.22)	(3,516,143.45)	(1,638,306.23)	(9,573,231.22)	(11,093,047.95)	(2,567,273.43)	(6,353,419.04)	43,829,323.22
29	(13,542,580.67)		1,532,515.08	(57,745,730.06)	(1,638,306.23)	(5,376,151.57)	(1,631,938.04)	(2,567,273.43)	(7,315,002.71)	(8,898,299.99)
30	(13,542,580.67)		2,133,553.58	71,187,784.19	(1,638,306.23)	(11,206,202.30)	11,654,047.32	(442,612.25)	(7,153,623.20)	(8,898,299.99)
31	(13,542,580.67)		(14,222,609.84)		(1,638,306.23)		11,654,047.32	(5,978,677.35)		(8,898,299.99)

(4,226,615.82)	(4,406,749.08)	(3,809,507.99)	(4,851,581.06)	(4,234,465.01)	(3,085,168.73)	(2,409,747.06)	(2,123,476.48)	(4,842,073.51)	(5,300,181.82)	(5,300,181.82)
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**A. Cost of Banking Services**

**1. Service Charges:**

- Stop Payments
- Warrants Processed
  - Per Item
  - Journal
- Account Reconciliation Plan (ARP)
  - Monthly Maintenance
  - Per Item
  - Journal
  - Other (list) \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
- Account Maintenance (excluding ZBA accounts)
- ZBA Account Maintenance
- FDIC Charge

**ACH Services (Transmission)**

- Tape
- Transmission
- Monthly Maintenance
- ACH Debits
- ACH Credits (one day)
- ACH Credits (two days)
- ACH Reversals
- Other ACH (list) \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**BAI File**

- Monthly charge
- Per account
- Per file transmission
- Per Item

**Checks Deposited**

- Local
- Other Fed
- Other checks (list) \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

- Courier Charge
- Credits (Deposits) Posted
- Deposit Slips
- Debits (Checks) Posted
- Deposited Items Returned
- Redeposited Returned Items
- Cash Deposited
- Coin Purchased
- Cash Purchased

	FEE	BASIS
\$	10.00	Item
\$	.050	Item
\$	1.00	Report
\$	5.00	Month
\$	.03	Item
\$	0.00	Item
\$		
\$		
\$		
\$	4.00	Account
\$	5.00	Account
\$	.010	\$1,000
\$		
\$	8.00	Each
\$	2.00	Each
\$	0.00	Item
\$	.055	Item
\$	.100	Item
\$	.050	Item
\$	1.00	Item
\$		
\$		
\$		
\$		
\$		
\$	100.00	Month
\$	3.00	Account
\$	1.00	File
\$	.150	Item
\$		
\$	.030	Item
\$	.045	Item
\$		Item
\$	75.00	Month
\$	.08	Item
\$	.00	Item
\$	.09	Item
\$	1.50	Item
\$	1.00	Item
\$	.05	\$100
\$	.05	\$100
\$	.06	\$100
\$		
\$		

**Domestic Wires**

- Automated Incoming
- Automated Outgoing (Repetitive)
- Automated Outgoing (Non-Repetitive)

\$	5.00	Item
\$	6.00	Item
\$	8.00	Item

**International Wires**

- Automated Outgoing
- Outgoing

\$	15.00	Item
\$	25.00	Item

**Internal Wire (Book) Transfers**

- Repetitive
- Non-Repetitive

\$	2.00	Item
\$	3.50	Item

**Other (list)**

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

\$		
\$		
\$		
\$		
\$		

**2. Negative Collected Balance Rate**

70% of bank's current Prime Borrowing Rate

70% of 9.00 = 6.30%

**3. (a) Collected Balance Earnings Rate**

90% of previous month's 90 day t-bill rate

90% of 5.50 = 4.95%

**(b) Net Collected Balance (CB) Formula**

This will determine the amount which will be multiplied by the rate in 3(a) above to obtain earnings to be offset against the monthly service charge.  
(Define with specificity each and every variable in formula)

**(Average collected balance x 90% x rate x number of days in month) / 365**

**4. Line of Credit Interest Rate**

75% of bank's Prime Borrowing Rate

75% of 9.00 = 6.75%

**5. Interest Bearing Warrant Rate (Specify any and all limitations)**

90% of bank's Prime Borrowing Rate

90% of 9.00 = 8.10%

# 10956

B. Cost of Safekeeping Services

Purchases

- Physical
- Book Entry

\$	30.00	Item
\$	15.00	Item

Maturities

- Physical
- Book Entry

\$	25.00	Item
\$	25.00	Item

Dividend payments  
Safekeeping Account Charge

\$	3.00	Item
\$	150.00	Month

Other (list)

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

\$		
\$		
\$		

NAME OF BANK \_\_\_\_\_

Signature of Authorized Official \_\_\_\_\_

Name of Authorized Official \_\_\_\_\_

Title of Authorized Official \_\_\_\_\_

Office Address \_\_\_\_\_

Telephone Number \_\_\_\_\_

If different from above, person qualified to answer questions about this bid:

Name \_\_\_\_\_

Title \_\_\_\_\_

Office Address \_\_\_\_\_

Telephone Number \_\_\_\_\_

Deadlines:

**10956**

EXHIBIT M  
(Page 4 of 4)

1. Latest time of day when the bank can receive wiring instructions and assure wires are received by the close of business at the wire destination: 2:00 P.M.
2. Latest time of day when the bank can receive an ACH file for next day processing: 4:30 P.M.
3. Latest time of day that bank will accept MICR encoded deposits at its operations center for same day credit: 5:00 P.M.
4. Latest time of day that bank will accept deposits at branch locations for same day credit: 6:00 P.M.
5. Latest time of day that bank will accept deposits for processing through the Seattle Clearing House: 11:00 A.M.

**BID EVALUATION FORM  
BANKING AND SAFEKEEPING SERVICES**

**10956**

Name of Bidder: \_\_\_\_\_  
Name of Evaluator: \_\_\_\_\_

<u>SERVICE CHARGES</u>	<u>ASSUMED VOLUME</u>	<u>BANK BID</u>	<u>CHARGE</u>
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**BANKING:**

Stop Payments	1,627		
Zero Balance Accounts	96		
FDIC Insurance (Per \$1000)	3,863		
Deposit Source Reporting			
- Daily Hard Copy (Accounts)			
- Monthly Hard Copy (Accounts)			
Account Reconciliation Plan (ARP) - 26 Warrant Accounts			
- Tapes	250		
- Journals	250		
- Warrants	900,841		
- Monthly maintenance	336		
Accounts (excluding ZBAs)	163		
ACH Services - 21 Accounts			
- Tapes	71		
- Transmissions	423		
- ACH debits	33,601		
- ACH Credits (1 day)	13,307		
- ACH credits (2 day)	712,410		
- ACH Returned Items	1,513		
- ACH Deleted Files	0		
- ACH reversals	854		
BAI files			
- Accounts	46		
- Items	1,385,387		
Checks Deposited (encoded)			
- Local	2,982,720		
- Other Fed	549,904		
Checks Deposited (unencoded)			
- Local	331,413		
- Other Fed	61,100		
Courier	250		
Deposits Posted	141,072		
Deposit Slips	141,072		
Deposit Items Returned	8,980		
Redeposited Returned Items	10,755		
Checks posted	98,006		
Cash Deposited	7,759,425		
Coin Purchased	82,022		
Cash Purchased	19,248		

**BID EVALUATION FORM  
BANKING AND SAFEKEEPING SERVICES**

<u>SERVICE CHARGES</u>	<u>ASSUMED VOLUME</u>	<u>BANK BID</u>	<u>CHARGE</u>
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**Banking (continued)**

Domestic Wires			
- Automated Incoming	1,510		
- Incoming			
- Automated Outgoing - Non -Repetitive	480		
- Automated Outgoing - Repetitive	563		
- Outgoing - Non-repetitive			
- Outgoing - Repetitive			
Foreign Wires			
- Outgoing- Non-repetitive	100		
Internal Wire (book) Transfers			
- Repetitive	625		

**10956**

**Subtotal Banking Services**

**Safekeeping:**

Account maintenance (months)	12		
Purchases			
- Physical	36		
- Book entry	300		
Maturities			
- Physical	360		
- Book entry	36		
Coupon Payments	348		
Paydowns	60		

**Subtotal Safekeeping Services**

**Subtotal Banking and Safekeeping Services**

**LESS: Collected Balance Earnings** 1,000,000

**PLUS: Other Services**

**TOTAL CHARGES**