



**CITY OF RIDGEFIELD, WASHINGTON
REQUEST FOR PROPOSAL OF BANKING RELATIONSHIP SERVICES**

Purpose of Request

The City of Ridgefield (City) is soliciting proposals for a primary banking relationship. The bank must be able to offer the full range of banking services required by this Request for Proposal (RFP). The City is soliciting competitive proposals in order to develop a banking relationship that provides maximum services and competitive pricing.

The City reserves the right to reject any and all submittals and to waive irregularities and informalities in the submittal and evaluation process. This RFP does not obligate the City to pay any costs incurred by respondents in the preparation and submission of a proposal. Furthermore, the RFP does not obligate the City to accept or contract for any expressed or implied services. The decision to award a particular financial institution to provide banking services to the City will be based on many factors to include but not limited to: services available, service levels, overall cost, quality of references, financial strength, and level of commitment to the community.

Candidates are invited to direct questions in advance of submitting a proposal to Kay Kammer, Director of Finance & Administration/City Clerk, kay.kammer@ci.ridgefield.wa.us. Questions must be received by 2:00 PM January 17, 2012. All questions and answers will be posted on the city website under the Documents tab, Financial/Administrative Documents, by 4:00 PM on February 1, 2012. The website address is: www.ci.ridgefield.wa.us.

City of Ridgefield Overview

The City of Ridgefield is a growing city, recently becoming one of the top ten fastest growing cities in the State of Washington. The City is looking at methods of working more efficiently in cash management and treasury.

The City of Ridgefield's Administration and Finance Department is responsible for banking services, accounts payable, accounts receivable, debt service, cash and investments, budget, and financial reporting. The City processes utility bills for water, sewer and storm drainage. The 2012 total annual budget is \$13,688,322.

The City of Ridgefield is located west of the Cascade Mountains in the center of Clark County, Washington, off of Interchange 5, Exit 14. Ridgefield is a full service city, providing for:

- Public safety functions of police
- Public infrastructure such as streets, parks, cemetery, and water, sewer and stormwater utilities

The City of Ridgefield population as of April 1, 2011 was 4,625 as determined by the Washington State Office of Financial Management. A full community profile can be found on our website.

Time Schedule

The City will follow the following time schedule, which should result in final selection of banking services no later than April 1, 2012.

Issue RFP.....	December 21, 2011
Deadline for Submittal of Proposal.....	February 15, 2012
Completed Review of Proposals.....	March 9, 2012
Contract award.....	March 22, 2012
Chosen bank notified.....	March 26, 2012

Delivery of Proposal

All proposals should be delivered to:

Kay Kammer, Director of Finance & Administration/City Clerk
City of Ridgefield
PO Box 608
230 Pioneer Street
Ridgefield, WA 98642

All proposals must be submitted in a sealed envelope and clearly marked in the lower left-hand corner: "RFP-Banking Services". No unmarked envelopes, faxed, emailed or telephone proposals will be accepted. All proposals must be received by **4:00 P.M. Wednesday, February 15, 2012**.

Proposals should be provided in a simple, straight-forward manner with a concise description of capabilities to satisfy the requirements of the request. Special binds, colored displays, promotional materials, etc. are not desired. Emphasis should be on completeness and clarity of the content. **Four (4)** copies of the proposal must be received by the Director of Finance & Administration/City Clerk no later than the date and time specified in the above paragraph.

Introduction and Mandatory Requirements

The City currently maintains the following types of accounts:

- Claims and Payroll Clearing
- Sweep Account
- Certificate of Deposits
- Contractor Retainage Accounts

The City deposited approximately \$7,000,000 in its General Treasury through November 30, 2011. Payroll is prepared currently once per month for approximately 40 employees. Checks issued for accounts payable are currently processed twice per month with an average of 100 checks per run.

Proposals should demonstrate the vendor’s cost effective and innovative approach to today’s banking needs as well as the changing demands of the future. Options involving Money Market Demand Accounts or Sweep account proposals will be accepted.

To be considered for selection, vendors must meet the following minimum qualifications:

- Authority to offer Banking Services – must hold a charter from either the United States Government or the State of Washington.

- Access to Federal Reserve System – must be a member of (or have access to) the Federal Reserve System and have access to all Federal Reserve System services.
- Legal Compliance – must be in compliance with all applicable laws, rules and regulations of the State of Washington and the United States.
- Public Deposit Protection Act – must be a Washington State qualified depository for public funds and must be in compliance with the Washington Public Deposit Protection Act (RCW 39.58) with a capital structure sufficient to accommodate the City’s cash/investment management daily needs up to \$15,000,000. Must maintain this qualified designation throughout the duration of the banking relationship with the City.
- Insured by the Federal Deposit Insurance Corporation (FDIC).
- Ability to supply web-based information reporting systems and allow multiple users with different security level access to account data.
- Ability to provide electronic images of cleared checks front and back.
- Provide access and download a minimum of twelve (12) months of account history online.
- Provide end of month bank statements and consolidated account analysis statement.
- Ability to provide investment opportunities. The investment activities of the City may not be affected by the appointment of a banking institution to handle the regular checking account.
- Must have established offices or branches in Clark County, Washington.
- Provide daily courier services.
- Ability to provide direct deposit services, wire transfers, cashier’s checks, electronic funds and automatic clearing house transfers and web-based payment options.
- Ability to provide loans and lines of credit.

General Requirements

The term of the contract shall be for three years, with the option of extending the contract for three additional three year terms at the expiration of the initial three year term. The City intends to begin receiving services as soon as practical but no later than June 30, 2012.

If compensating balances are used to pay for costs, all costs associated with the banking services agreement will be paid for by this method. The City will consider other payment methods.

The bank must agree that if deposits by the City cause the bank to collateralize with the Washington PDPC amounts above normal requirements, no additional cost shall be assessed or assigned to the City, including lowering of earnings rates on compensating balances.

Investment activities of the City are not related to the appointment of a bank to provide banking services. The bank must provide the City with the means to conduct its investment activity, including but not limited to providing wire and safekeeping services if requested.

Any agreement for banking services as a result of this request for services is in no way intended to grant or guarantee an exclusive banking services relation between the City and the selected bank.

The selected bank must, upon authorization from the Director of Finance & Administration/City Clerk or the Finance Division Director, allow reasonable access to bank records by the above or auditors which may be auditing the records of the City. The bank shall also cooperate in any prosecution of misuse or misappropriation of City funds.

All submitted proposals and information included therein or attached thereto shall become public records upon opening and accordingly subject to public disclosure as it may apply to the City. Upon opening, all proposals shall become the property of the City.

The Banking Services Agreement shall provide that the City reserves the right to cancel any agreement at any time upon ninety (90) days notice of its intent to terminate the agreement. The City does not agree to use all services which may be included in a banking services agreement. The City may cancel the agreement with less than ninety (90) days notice if the City finds that the terms of the agreement have been violated and the bank does not take immediate steps to rectify the violated terms. The bank shall provide the City at least ninety (90) days prior notice of its intent to terminate the agreement.

The City reserves the right to cancel its Banking Services Agreement without a ninety (90) days notice if the City finds that the bank ceases to be a qualified public depository per the Washington PDPC, banking relationship becomes unsatisfactory, or the bank is sold, merged, or acquired by another bank.

The City reserves the right to reject any and all proposals, to waive any non-material irregularities or informalities in any proposal and to accept or reject any item or combination of items in any proposal.

The selected bank will designate a relationship manager and client services contact for all services and routine inquiries.

Specific Requirements

General Clearing Account: The City requires a clearing account for claims (accounts payable) processing and payroll. This account may also receive deposits, and process Automatic Clearing House (ACH), Electronic Federal Tax Payment System (EFTPS), and wire transfers.

Excess General Account: The City requires a Money Market Demand Account or Sweep Account through which all deposits are made, ACH, EFTPS, transfers and wire transfers may be made. Deposits picked up via bank courier shall be credited the same day. Deposits accepted prior to closure at a branch by city personnel shall be credited the same day.

Other Checking Accounts: The bank shall furnish the City with additional checking account(s) as needed. No charges will be made directly to any of these special accounts.

Escrow Agent Services: The City may require escrow agent services to administer and maintain retainage deposits from contractors for public works in accordance with RCW 60.28.010.

Safekeeping: The bank shall provide the City with safekeeping services of its investments. The bank shall control the securities through its own safekeeping department, through any corresponding bank with which it deals regularly upon approval by the City. The safekeeping account must be in the name of the City (the City shall own all securities held in trust by the bank). All proposals must identify where safekeeping facilities will be located and what banks, if any, are used as correspondent banks. Proposals shall clearly specify services to be performed and related costs. Safekeeping services shall include but is not limited to:

- Safekeeping of securities purchased.
- Delivery of securities sold by the City.
- Provide the City a receipt for all transactions.
- Pay for or sell securities purchased or sold by the City on a payment versus delivery basis.
- Collect interest on securities held in safekeeping.

- At least quarterly, provide a statement summarizing all securities owned and transactions on behalf of the City.
- Securities will be kept in an account of the City.

Wire Transfer Service: The bank will be required to provide wire transfer services. Wire service credit and debit notices shall be delivered to the City the day following the transaction. The bank will inform the City of the time schedule for processing outgoing wires and will honor all outgoing wire requests by the City within the appropriate time schedule and available funds.

Deposit Services: The bank shall provide at least two (2) locking deposit bags or sealable plastic bags. The bank shall also provide night deposit services.

The bank will receive direct payments or deposits to City accounts other than from the City. In these instances, the bank shall provide the City on the next banking day a receipt of the transaction.

Lock Box Deposit Services: The City may request the bank to provide lock box services for utility payments.

The bank would receive direct payments to City accounts other than from the City. In these instances, the bank would provide the City by 10:00 a.m. on the next banking day a receipt of the payments and a spreadsheet or file of each transaction to include the customer name, account number with the City, service address, mailing address (if different) and payment amount.

Other payment options: The City may request that the bank provide to customers on-line payment options for utility payments via the city website.

The bank would receive direct payments to City accounts other than from the City. In these instances, the bank would provide the City by 10:00 a.m. on the next banking day a receipt of the payments and a spreadsheet or file of each transaction to include the customer name, account number with the City, service address, mailing address (if different) and payment amount.

Credit Card Services: The City may also request that the bank provide to customers the ability to make debit or credit card payments for services such as building permits, animal or business licenses, or other payments at City Hall. Receipts should be available at the terminal site.

Statements: The City requires the bank to provide last business day month-end statements for all accounts showing an analysis of all transactions to each account. Statements should be available on-line or emailed to a designated city staff member on the first business day of the following month.

The bank is also to provide an account activity analysis of each account and a consolidation of the activity of all accounts for each month. The account analysis is to include but not be limited to:

- Ledger balance
- Collected balance
- Detail of adjustments, services and related costs
- Credits/debits
- Reserve requirement – in dollars and in percent
- Earnings allowance
- Total cost of services

Corporate Credit Cards: The bank shall provide selected City employees with credit cards for the purpose of making purchases. The credit cards are not to be debit cards and no cash advance is to be allowed. Statements for each individual card are to be available. All payments must be approved by the Ridgefield City Council prior to disbursement, and as the dates of the Council meetings change each month, the City will require a repayment period of at least forty (40) days after the statement date or the waiving of late fees.

Direct Deposit: Describe direct deposit services, including automated electronic file transfer of data for both payroll, including associated transfers, and accounts payable. The City currently utilizes direct deposit services for our payroll with a twenty-four (24) hour turn-around time.

Direct deposit is to be such that funds will be available by 8:00 A.M. on distribution day. The bank should specify how many days and what time of day prior to the day of deposit the bank requires information as to which accounts to make deposits (provide an example such as, if for deposit on Thursday must receive data by noon on the preceding Tuesday).

Automatic Clearing House Payments: The City currently offers to its utility customers a Direct Pay program where their checking account is charged bi-monthly for their outstanding bill. Describe the service offered and the timeframe which the file must be transmitted to the bank to ensure payments are received on the due date of the invoice.

Reporting and Money Transfer: Describe the web-based system(s) available to access account transactions and balances, perform electronic money transfer (ACH, EFTPS, and Wire), and perform operations such as stop payments on checks. Include specifications for hardware and software capability as well as data download/file transfer formats or internet services provided.

Identify the proposed compensation method: Describe the interval/time frame proposed for the City to compensate for any additional fees not offset by the earnings allowance if any on collected balances (i.e., monthly, quarterly, annually) and to what extent the service charge credit/debit from one year can be carried forward to the next year.

Account Earnings: The City desires to earn maximum value on its funds. Banks should provide information on its proposed method(s) to insure the City earns value on amounts which may be in the City's accounts.

Conversion Plan: Describe the conversion plan that the Bank would take to coordinate and ensure a smooth transition.

Service Enhancements: Describe any enhancements, technological or otherwise, that the City should consider to improve operational or cash management efficiencies.

Other Optional Services: The bank may specify other services that may be in the best interest of the City. The services should include a brief description.

Other factors and community involvement: Any other factors that you believe would be in the City's best interest to consider which were not previously described. Level of commitment proposed for municipal events and programs will be considered.

Selection Criteria

Proposals will be evaluated by a committee of City Staff. Evaluations will be based on criteria outlined herein which may be weighted by the City in a manner it deems appropriate. All proposals will be evaluated using the same criteria and weighting. The criteria used will be as follows:

- Proper submission and responsiveness to RFP – The City will consider all the material submitted to determine whether the Bank’s offering is in compliance with RFP documents.
- Comprehensiveness of Services Provided – The City will consider all the relevant material submitted by each bank, and other relevant material it may otherwise obtain, to determine whether the bank is capable of and has a history of successfully completing contracts of this type.
- The bank shall furnish acceptable evidence of their ability to perform, regarding such categories as expertise/experience, equipment, facilities and personnel qualified to perform requested duties. Bank shall furnish a link to a web-based demonstration of their on-line reporting and data systems.
- The bank’s efforts to understand the City’s needs and goals, and the creativity the bank shows in introducing new technologies and efficiencies to improve current practices and procedures.
- Charges for Services – The amount of proposed charges.
- Strength and stability of the Bank – The bank’s financial standing among its peers and the associated credit quality ratings.
- References – List all Washington cities for which the bank provided checking account services in the last two (2) years.
- Fees – Enclose a detailed listing of fees for all services.
- Interviews and site visits – The City may conduct interviews and site visits as part of the selection process.

Terms and Conditions

The City reserves the right to reject any and all proposals with or without cause.

The City reserves the right to request clarification of information submitted and to request additional information regarding any and all proposals. Refusal to provide such information upon request may cause the proposal to be rejected.

The City reserves the right to award any contract to the next most qualified bank if the successful bank does not execute a contract or any terms of the contract within thirty (30) days after the award of the proposal.

Any proposal may be withdrawn, up until the date and time set for opening of the RFP’s. Any RFP not so timely withdrawn, shall constitute an irrevocable offer for a period of thirty (30) days, to sell to the

City the services described in the attached specification, or until one or more of the proposals have been approved by the City administration, whichever occurs first.

The contract resulting from acceptance of a RFP by the City, shall be in a form supplied or approved by the City and shall reflect the specifications in the RFP.

The City shall not be responsible for any costs incurred by the bank in preparing, submitting or presenting its response to the RFP.

SUBMITTAL PAGE ONE - BASIC SERVICE COSTS

BANK NAME:

We agree to furnish the following required services to be used in computing a required monthly compensating balance:

<u>Services Performed</u>	<u>Volume</u>	<u>Unit Price</u>
Account Maintenance	2	\$ _____
Checks paid	200	\$ _____
Deposit posted	40	\$ _____
Checks deposited - Local	1000	\$ _____
Checks deposited - On Us	100	\$ _____
Checks deposited - Non Local	100	\$ _____
Stop Payments	1	\$ _____
Returned Checks	1	\$ _____
ACH Payroll Processing	1	\$ _____
ACH Payroll Items per Pay	50	\$ _____
ACH Returned Items	1	\$ _____
ACH Processing	2	\$ _____
ACH Items per Pay	50	\$ _____
Electronic Debits	10	\$ _____
Electronic Credits	50	\$ _____
Wire Transfers – In	1	\$ _____
Wire Transfers – Out	1	\$ _____
Daily Courier services	20	\$ _____
Sweep Account	1	\$ _____
FDIC Insurance		\$ _____
Positive pay	1	\$ _____
Positive pay issues	150	\$ _____

Other costs not identified above:

Deposit tickets	\$ _____
Sealable bank deposit bags	\$ _____
Checks	\$ _____
Lock box services	\$ _____
Debit/credit acceptance	\$ _____
Debit/credit transaction fees	\$ _____

Other services not identified above:

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

SUBMITTAL PAGE TWO - ACCOUNT ANALYSIS - NOVEMBER 2011

BANK NAME:

Completion of account analysis using statement information provided by the City of Ridgefield for the month of November, 2011

The undersigned certifies that the attached account analysis is complete and that all charges and earnings are accurate.

Signed: _____

Title: _____

Address: _____

Telephone No: _____

Email: _____

Date: _____

SUBMITTAL PAGE THREE - DESCRIPTION OF SERVICE(S)

BANK NAME:

Provide a detailed description of each service provided and all format requirements.

CORPORATE CREDIT CARDS:

CREDIT CARD SERVICES:

DIRECT DEPOSIT:

LOCK BOX SERVICES:

AUTOMATED CLEARING HOUSE:

REPORTING AND MONEY TRANSFER:

PROPOSED COMPENSATION METHOD:

ACCOUNT EARNINGS:

CONVERSION PLAN:

SERVICE ENHANCEMENTS:

OPTIONAL SERVICES:

OTHER FACTORS AND COMMUNITY INVOLVEMENT:

The undersigned certifies that the details provided for the above services are complete and accurate:

Signed: _____

Title: _____

Address: _____

Telephone No: _____

Email: _____

Date: _____

BANK NAME:

We have read the Request for Proposal (RFP) for Banking Services and fully understand its intent. We certify that we have adequate personnel, equipment, and facilities to fulfill the requirements noted in the RFP. We understand that our ability to meet the criteria and provide the required services shall be judged solely by the City of Ridgefield.

It is understood that all information included in, attached to, or required by the RFP shall become public record upon delivery to the City.

The undersigned certifies that the completion of the Bid Response is a binding commitment to provide the services requested as proposed herein.

Signed: _____

Title: _____

Address: _____

Telephone No: _____

Email: _____

Date: _____