

**TAB 7**



# City of Palmetto Agenda Item

**Meeting Date**

7/19/10

**Presenter:** Jim Freeman

**Department:** City Clerk

**Title:**

**Recommendation of Banking Services RFP Committee**

**Problem:** A RFP for Banking Services was completed and the recommendation of the Committee to award the banking services contract to BB&T is to be approved.

**Background:** In May, 2010 staff issued a RFP for Banking Services. Seven proposals were received, reviewed and scored by a committee of seven staff members (Karen Simpson, Cheryl Miller, Jacqueline Gonzalez, Matt Misco, Diane Ponder, Audrea Dixon, Beverly Minnix). The proposals were scored on Financial Condition and Stability of the bank, Core Services and References, Costs and Interest Earnings, Future Services and Location. The complete RFP is available in Purchasing office.

The seven proposals were short-listed to the top three which were (first to third) BB&T, Fifth Third Bank, and Wells Fargo/Wachovia. The short listed banks each made a presentation to the committee. As a result of the presentations, further review and checking references, BB&T was unanimously selected to be recommended to the City Commission to provide banking services. All proposals are available from Purchasing for review.

The committee has attached the spreadsheet with the ratings, the scope of services portion of the RFP and the Core Services Spreadsheet listing the cost of services from BB&T, Fifth Third and Bank of America. The change to BB&T is estimated to bring a reduction of banking costs of approximately \$17,000 annually and increase interest revenue by a minimum of \$30,000 for a net change city-wide of \$47,000.

The contract will be reviewed by the City Attorney and brought back to the Commission at the August 2<sup>nd</sup> meeting. Conversion is anticipated to be completed by October 1, 2010.

**Budgeted Amount:**  **Budget Page No(s):**  **Available Amount:**  **Expenditure Amount:**

**Additional Budgetary Information:**

**Funding Source(s):**  **Sufficient Funds Available:**  Yes  No **Budget Amendment Required:**  Yes  No **Source:**

**City Attorney Reviewed:**  Yes  No  N/A **Advisory Board Recommendation:**  For  Against  N/A **Consistent With:**  Yes  No  N/A

**Potential Motion/Direction Requested:** Motion to approve the recommendation to negotiate a contract for banking services with BB&T.

**Staff Contact:** Karen Simpson Finance x109

**Attachments:** Scope of Services, Request for Proposals Evaluation Form, Service for Core Services spreadsheet



## CITY OF PALMETTO Request for Proposals Evaluation Form

RFP: Banking Services

### Committee Summary

Name of Evaluator

Evaluation Criteria	BB&T	BOA	Fifth Third	RBC	Regions	SunTrust	Wells Fargo
Audrea Dixon	3.85	3.75	3.85	0.00	3.00	3.30	3.85
Beverly Minnix	4.05	2.25	3.00	0.00	3.00	2.95	3.40
Cheryl Miller	4.65	4.10	4.20	0.00	2.10	4.05	4.40
Diane Ponder	4.10	3.55	3.20	0.00	2.90	3.65	4.00
Jacque Gonzalez	4.90	4.05	4.35	0.00	4.25	4.70	4.90
Karen Simpson	4.00	3.70	4.00	0.00	3.70	3.15	3.80
Matt Misco	3.85	3.50	4.15	0.00	3.05	3.10	3.75
<b>Total</b>	4.20	3.56	3.82	0.00	3.14	3.56	4.01

**Remarks:** RBC was deemed unresponsive by the committee due to the omission of the required forms.

Evaluation Rating Guidelines	
5 - Exceptional	The submission exceeds expectations. Excellent probability of success in achieving all objectives. Very innovative.
4 - Good	Very good probability of success. Achieves all objectives in reasonable
3 - Acceptable	Has reasonable probability of success. Some objectives may not be
2 - Poor	Falls short of expectations. Has a low probability of success.
1 - Not Acceptable	Submission fails to meet requirements. Has no probability of success.
0 - Not responsive	Submission is lacking adequate information to evaluate.

**Service Charges for Core Services**

Service	# of Units	BBT		Fifth-Third (5/3)		Bank of America Proposed		Bank of America Current	
		Unit Price	Service Charge	Unit Price	Service Charge	Unit Price	Service Charge	Unit Price	Service Charge
FDIC Assessment	12420	0.11	205.77	-	-	0.13	1,614.60	0.11	1,348.81
<b>Depository Services</b>									
Account Maintenance	7	13.50	94.50	-	-	9.00	63.00	18.00	126.00
Banking Center Deposit	82	0.45	36.90	0.25	20.50	0.50	41.00	0.75	61.50
Debits Posted-Other	1	0.09	0.09	0.10	0.10	0.10	0.10	0.17	0.17
Deposit Correction-Non-Cash	0	-	-	8.00	-	5.00	-	5.00	-
General Checks Paid-Not Truncated	242	0.13	31.46	0.10	24.20	0.12	29.04	0.20	48.40
Direct DDA Statement Per Acct	3	-	-	-	-	10.00	30.00	20.00	60.00
ZBA Master Account Maint	1	30.00	30.00	7.00	7.00	25.00	25.00	50.00	50.00
ZBA Subsidiary Account Maint	2	18.75	37.50	7.00	14.00	10.00	20.00	25.00	50.00
Returns-Chargeback	6	7.50	45.00	5.50	33.00	5.00	30.00	5.00	30.00
Checks Deposited	2,820	0.07	197.40	0.05	141.00	0.08	225.60	0.11	310.20
Debits Posted-Electronic	19	0.12	2.28	0.07	1.33	0.07	1.33	0.15	2.85
Credits Posted-Electronic	85	0.27	22.95	0.07	5.95	0.07	5.95	0.15	12.75
Gen Disb Cks Pd-Is Front Img	46	0.13	5.98	0.10	4.60	-	-	-	-
Direct Account Transfer	2	-	-	-	-	3.00	6.00	3.00	6.00
<b>Commercial Deps-Cash Vault</b>									
Curr/Coin Dep/\$100-Bkg Ctr	607	0.13	78.91	0.00	0.61	0.20	121.40	0.20	121.40
Coin Supplied/Roll-Bkg Ctr	31	0.09	2.79	0.12	3.72	0.10	3.10	0.10	3.10
Change Order Bkg Ctr	13	-	-	2.00	26.00	2.00	26.00	2.00	26.00
Currency Supp/\$100-Bkg Ctr	16	0.04	0.64	2.00	32.00	0.09	1.44	0.09	1.44
<b>General ACH Services</b>									
ACH Return Item-Noc	4	1.50	6.00	1.00	4.00	3.50	14.00	3.50	14.00
ACH Monthly Maintenance(E)	1	33.75	33.75	10.00	10.00	15.00	15.00	20.00	20.00
ACH Input-Transmission(E)	2	11.25	22.50	0.08	0.16	8.00	16.00	20.00	40.00
ACH Monthly Maintenance(W)	1	33.75	33.75	10.00	10.00	15.00	15.00	25.00	25.00
ACH Return Item	3	3.75	11.25	1.00	3.00	3.50	10.50	3.50	10.50
ACH Input Vendor (Batches)(W)	19	11.25	213.75	0.08	1.52	8.00	152.00	10.00	190.00
Corporate On US Debits(W)	20	0.10	2.00	0.08	1.60	0.10	2.00	0.18	3.60
Corporate Off US Debits(W)	81	0.10	8.10	0.08	6.48	0.10	8.10	0.18	14.58
ACH Standard Reports-Fax	6	2.25	13.50	-	-	3.00	18.00	3.00	18.00
ACH Standard Reports-Mail	2	2.25	4.50	-	-	10.00	20.00	10.00	20.00
Consumer On US Credits(E)	124	0.10	12.40	0.08	9.92	0.07	8.68	0.10	12.40
Consumer Off US Credits(E)	232	0.10	23.20	0.08	18.56	0.07	16.24	0.10	23.20
<b>Wire Transfer</b>									
Wire Maintenance Fee	1	-	-	5.00	5.00	-	-	10.00	10.00
Cust Maint Template Storage	1	-	-	-	-	1.50	1.50	1.50	1.50
<b>Account Reconciliation</b>									
AR Full Positive Pay Maint-Ppr Supp	2	52.50	105.00	20.00	40.00	65.00	130.00	90.00	180.00
AR Full Positive Pay Input Per Item	274	0.08	21.92	0.03	8.22	0.07	19.18	0.07	19.18
AR Partial Positive Pay Maint-Ppr Supp	1	41.25	41.25	-	-	55.00	55.00	65.00	65.00
ARP Partial Positive Pay Item	0	0.08	-	-	-	0.06	-	0.05	-
ARP Recon Trans End Of Cycle	0	11.25	-	20.00	-	10.00	-	10.00	-
<b>Information Services</b>									
Previous Day Maint	1	-	-	15.00	15.00	40.00	40.00	75.00	75.00
Current Day Maint	1	22.50	22.50	15.00	15.00	25.00	25.00	50.00	50.00
Per Account Fee	8	18.75	150.00	7.00	56.00	0.25	2.00	20.00	160.00
Current Day Std Item	437	0.18	78.66	0.04	17.48	0.15	65.55	0.25	109.25
Previous Day Ext Item	572	-	-	0.03	17.16	0.10	57.20	0.10	57.20
<b>EDI Services</b>									
RPO Maintenance	1	9.95	9.95	55.00	55.00	225.00	225.00	225.00	225.00
RPO Transaction Pricing	199	0.06	11.94	0.19	37.81	0.50	99.50	0.18	35.82
RPO MAM File Support	1	-	-	-	-	275.00	275.00	275.00	275.00
RPO Notification - E-Mail	183	-	-	0.10	18.30	0.02	3.66	0.02	3.66
<b>Image</b>									
CD Rom Maintenance	3	18.75	18.75	10.00	30.00	20.00	60.00	25.00	75.00
CD Rom Per Image	288	0.04	13.72	0.02	5.76	0.04	11.52	0.04	11.52
CD Rom Disk	1	11.25	11.25	-	-	10.00	10.00	10.00	10.00
Image Retrieval-Online <b>5 free per month</b>	9	1.50	12.00	-	-	0.25	2.25	0.25	2.25
<b>Miscellaneous</b>									
Nonrelationship Cust Check Cashed	3	3.75	22.50	-	-	-	-	-	-
Earnings Credit Rate of	1.25%	-	-	-	-	-	-	-	-
Electronics Debit Authorization - Debit Procedures	2	-	-	-	-	-	-	-	-
			<b>1,696.31</b>		<b>699.98</b>		<b>3,621.44</b>		<b>4,015.28</b>



**CITY OF PALMETTO  
REQUEST FOR PROPOSAL  
RFP – BANKING SERVICES**

**PART II – SCOPE OF SERVICES**

**SCOPE OF SERVICES**

The City of Palmetto (the “City”) is seeking applications from financial institutions (bank(s)) to provide the described banking services. The term of the depository agreement is anticipated to be three years commencing October 1, 2010, and ending September 30, 2013, with the option of two, two-year extensions, provided it is mutually acceptable to both parties. The winning proposal will be determined in such time as to provide a minimum of two months for the conversion process, if necessary. This document serves as the bank’s application and will be considered public record.

The bank must meet the criteria set forth in Florida Statutes Chapter 280, the Florida Security for Public Deposits Act, and maintain their status throughout the life of the agreement.

The City intends to invest its funds to ensure security, maximize yield and liquidity as authorized by the City’s Investment Policy and minimize banking charges. In its banking relationship, the City seeks the proper mix of banking services to make its staff more effective and to lower overall costs. Moreover, the City wants to use the bank’s technology to leverage its own technology and implement solutions that are mutually beneficial.

**A. THE CITY’S CORE CURRENT SERVICE REQUIREMENT**

Upon execution of an agreement the City would establish a minimum of two accounts. The City’s main account will earn interest, clear vendor checks, post ACH credits, and allow specifically authorized companies to make ACH debits. The second account will be a ZBA payroll account that will clear payroll checks. All ACH debits should be blocked from the payroll account. Other accounts will be added as needed.

**Disbursements**

Employees are paid every two weeks; 108 employees have direct deposit and 24 receive checks. Vendors are paid each week averaging 255 checks each month. The City currently averages 12 wires and ACH payments to outside vendors each month.

The City requires access to the images of its cleared checks online for a minimum of 60 days and the actual check images monthly on a CD. Unlimited access would be needed to any special software required to view the CD. These are the minimum requirements for these services. Any charges for these, or enhanced, services should be stated in the proposal.

## **Receipts/Deposits**

Currently, a City employee drives to the bank to present the deposit where the cash is verified before the employee receives a confirming deposit slip; checks are processed and verified later. The average daily deposit is \$33,000; 170 checks, and \$3,200 in cash. At the start of the contract period, the City would continue to make daily deposits; however, it would like to explore options of having courier pickup, armored car pickup, and even remote deposit along with truncating checks.

Currently, the City allows utility payments online with a credit card or bank ACH. The City's website is set up so that the credit card payments are processed using the bank's website and software that integrates with the City's financial software, American Data Group (ADG). On average, 193 customers choose to pay online per month of which an average of 98 customers use ACH credits to our account and the remainder, pay with credit card. The City accepts the use of VISA, Master Card, Discover and American Express.

The City averages 10 NSF checks from its utility customers that are not automatically represented each month.

## **B. ABILITY TO PROVIDE THE CITY'S CORE SERVICES AND REFERENCES**

### **Questionnaire for Core Services (Respond to the following questions as numbered)**

1. What is the distance of the nearest banking facility to 516 8<sup>th</sup> Ave. West, Palmetto, Florida? What are the bank holidays and hours of operation of the nearest banking facility?
2. Will City staff be able to download bank statements within 5 business days from the end of the month? If so, how long will bank statements be available to view or download online? If not, how/when will the bank statements be issued to the City?
3. Will the bank offer positive pay on all the City's disbursement accounts? Will the City be able to view and process decision exceptions online? Please outline the cost of these services, description of the service that will appear on the Service Cost spreadsheet.
4. Will the City be able to authorize specific companies/organizations to make ACH debit entries against its main account? Please outline the cost and description of the service.
5. Will the bank be able to provide a CD with all cleared check images in a format that will not require special software? If not, at the conclusion of our agreement, will the city be able to retain the special software and receive technical support if necessary?
6. What is the maximum length of time the bank can store our cleared check images online? Please outline the monthly cost of having City's images available online.

7. Will the bank automatically re-present NSF checks? If so, how many times and at what cost? Will NSF check images be available for downloading?
8. Will the City be able to transmit ACH debit and credit files through the same website that is used to verify account balances?
  - a. In a week where there are no holidays, what is the latest possible time that the City may submit a valid ACH payroll file to ensure that its employees are paid Friday morning? For example, by 5 p.m. Thursday. If the City submits a valid NACHA approved file by this time and for some reason the bank were to fail to process it, would the bank assume the responsibility of wiring funds to the City's employees who receive direct deposit?
  - b. The City's average ACH credit file is its biweekly payroll file and is approximately \$124,000. Will the City ever be required to prefund, or handle differently, an ACH credit file?
9. Will the City be able to download the previous day's cleared check information daily? Will the City have access to same day transactions? Please outline the cost and description for such services.
10. When establishing City employees' online access to banking functions, can the City establish guidelines and parameters for the authorization of wires, transfers etc.?
11. Deposits: At the start of the contract the City will make daily deposits of approximately \$3,200 cash and 170 checks. What other solutions would you recommend in order to reduce the City staff's time to secure and transport deposits? Please outline the bank's partnership and costs.
12. What check cashing services can the bank provide to city employees who do not have, or want to have, a bank account? At what cost, if any, to the employee, and/or the city?
13. What assistance will the bank provide during the conversion/implementation stage of the contract? How many clients has the bank assisted with the changeover process? How many clients using ADG software, has the bank assisted with the changeover process? Will the bank offer any financial assistance in the City's cost of converting banking operations? Please provide references and describe your process as requested in Section E.
14. The City currently allows online credit card payments through its website for utility payments. Details of the volume are provided in the Receipts/Deposits section on page 12 of this RFP. Can the Bank provide this service? What is the cost and timeline of converting the current system to the Bank's service? Will the Bank provide technical support? What are the fees associated with operating the service?



15. What is the Bank's disaster recovery plan related to servicing the City in the event of a disaster? Provide information regarding your ability to provide uninterrupted service.
16. What type of support team will the bank offer and what experience do these team members possess? What will be the structure of the team, each team member's responsibility and expertise, and the average turn around time for problem resolution?
17. On technical issues, will the City be able to speak with a designated technical support person? If so, who is this person? How many commercial accounts does this person support?

**Designated Commercial Online Banking Technical Support Person for the City of Palmetto:** \_\_\_\_\_

Phone Number: \_\_\_\_\_

How long has this person been with the bank?

How long have they supported commercial online banking?

If we don't have designated online banking technical support person:

1. What is the average wait time to speak with a support person?
2. How many technical support staff is located at the facility we will call?
3. On average how commercial accounts do they support?

## **C. COSTS AND INTEREST EARNINGS**

### **1. COSTS**

It is the City's desire to utilize its funds to realize the largest gain possible for the City. This may include compensating balances, laddering CDs, and otherwise using all cash flow tools at our disposal. Listed below are some of the current services the City utilizes along with the average volume per month. A proposing bank is required to place their per item service charge in the shaded column and project those costs out over three years assuming the City's volume continues with no increases. Any changes in the City's current method, and volume, of banking will be negotiated. Banks are encouraged to contact the City for the excel file of the spreadsheet below and enter their monthly or per item costs in the Services Cost tab. If services appear redundant, please note and explain the redundancy. For example, the City is not currently utilizing a particular service the bank can offer the bank should add the service with a brief description and outline of the costs. If in reading about the City's core services, the bank feels that other service charges are needed, those service charges will need to be inserted in the spreadsheet and reflected below.

Once the bank has completed the spreadsheet, it should attach the Service Costs spreadsheet to its application along with an electronic version in Excel 2003 format on a disk.

City of Palmetto Bank Application Spreadsheet – Service Charges

Service Charges for Core Services

Service	# of Units	Year 1			Year 2	Year 3
		Unit Price	Service Charge	Compensating Balance Required	Projected Service Charge	Projected Service Charge
FDIC Assessment						
<b>Depository Services</b>						
Account Maintenance	7					
Banking Center Deposit	79					
Debits Posted-Other	1					
Deposit Correction-Non-Cash	1					
General Checks Paid-Not Truncated	290					
Direct DDA Statement Per Acct	3					
ZBA Master Account Maint	1					
ZBA Subsidiary Account Maint	2					
Returns-Chargeback	8					
Checks Deposited	2,810					
Debits Posted-Electronic	19					
Credits Posted-Electronic	88					
Gen Disb Cks Pd-Is Front Img	53					
Direct Account Transfer	7					
<b>Commercial Deps-Cash Vault</b>						
Curr/Coin Dep/\$100-Bkg Ctr	691					
Coin Supplied/Roll-Bkg Ctr	25					
Change Order Bkg Ctr	12					
Currency Supp/\$100-Bkg Ctr	16					
<b>General ACH Services</b>						
ACH Return Item-Noc	5					
ACH Monthly Maintenance(E)	1					
ACH Input-Transmission(E)	2					
ACH Monthly Maintenance(W)	1					
ACH Return Item	2					
ACH Input Vendor (Batches)(W)	16					
Corporate On US Debits(W)	22					
Corporate Off US Debits(W)	78					
ACH Standard Reports-Fax	2					
ACH Standard Reports-Mail	3					
Consumer On US Credits(E)	126					
Consumer Off US Credits(E)	220					
<b>Wire Transfer</b>						
Wire Maintenance Fee	1					
Cust Maint Template Storage	1					

**Service Charges for Core Services  
Continued**

Service	Year 1				Year 2	Year 3
	# of Units	Unit Price	Service Charge	Compensating Balance Required	Projected Service Charge	Projected Service Charge
<b>Account Reconciliation</b>						
AR Full Positive Pay Maint-Ppr Supp	2					
AR Full Positive Pay Input Per Item	288					
AR Partial Positive Pay Maint-Ppr Supp	1					
ARP Partial Positive Pay Item	59					
ARP Recon Trans End Of Cycle	1					
<b>Information Services</b>						
Previous Day Maint	1					
Current Day Maint	1					
Per Account Fee	8					
Current Day Std Item	361					
Previous Day Ext Item	481					
<b>EDI Services</b>						
RPO Maintenance	1					
RPO Transaction Pricing	187					
RPO MAM File Support	1					
RPO Notification - E-Mail	136					
<b>Image</b>						
CD Rom Maintenance	3					
CD Rom Per Image	343					
CD Rom Disk	1					
Image Retrieval - Online	8					
<b>Miscellaneous</b>						
Nonrelationship Cust Check Cashed	6					
<b>Total Service Charges</b>						

**2. INTEREST AND INVESTMENT EARNINGS**

At a minimum, the City's main checking account must earn interest and/or earnings credits on the funds. If the City qualifies for different types of interest earning accounts, the bank must specify the different methods for paying interest on the monthly average balance, what the benchmark will be, the current rate, or value, your adjustment, and where it will be published on a monthly basis. Supply charts of how the rate/s have changed over the past two years.

Please include the bank's "funds availability schedule" and indicate the latest time of day that the City can deposit funds at a local branch and receive same day credit.

The City has implemented an Investment Policy which allows for several types of investments. It is the City's practice to invest funds in instruments which provide for the least risk and ensure the security of the City's funds while providing the cash flow

necessary to operate the City. The City has determined that a minimum of \$2.5 million is its “core funds” that may be invested for longer terms.

Describe any investment opportunities and/or advising services the bank can provide. Include rates of return available on April 30, 2010 for each investment instrument provided and its collateralization status.

#### **D. ABILITY TO PROVIDE FUTURE SERVICES**

It is not necessary for a bank to provide any services listed in this section; however, it will be beneficial in the evaluation process.

If the City finds any of the Future Services cost effective, and completes implementation of any service within one year of the start of the banking services agreement, the bank is expected to hold the price for the duration of the agreement. Additionally, if the service appears advantageous, the City will request the bank provide two references from current customers who have the same or more service volume. For future services, include the service charges in this section of the application and not under the Service Cost section for the City’s core services.

#### **Payroll Pay Cards**

In order to ensure that we can pay our employees in the event of an emergency, such as hurricane, the City is going to strongly encourage, if not require, employees who currently receive checks to convert to using payroll paycards or direct deposit. We are projecting less than 25 employees will take advantage of the paycards and the rest will convert to direct deposit.

1. What is the individual and City’s monthly charge for the bank’s payroll paycards? Are there charges for issuing new cards?
2. Can the City initiate new cards for employees online through the same website that provides account balance information?
3. What types of charges will City employees incur to withdraw their funds from your ATM machines, or other banks ATM machines?
4. Is there a limit to the amount of money that can be withdrawn from an ATM machine?

#### **Courier/Armored Car Pickup**

Currently, a City employee drives to the bank to present the deposit where the cash is verified before the employee receives a confirming deposit slip; checks are processed and verified later. The average daily deposit is \$33,000; 170 checks, and \$3,200 in cash. At the start of the contract period, the City would continue to make daily deposits; however, it would like to explore options of having courier pickup or armored car pickup combined with remote depositing of checks.

1. What are the costs associated with cash pickup services?
2. What requirements/restrictions, if any, are associated with this service?

### **Lockbox Service for Utility Payments**

The City receives approximately 2,000 utility payments by mail each month with another 300 envelopes in the drop box at City Hall. Would you recommend your lockbox service for the City? If so, please provide pricing with and without images.

1. How would you communicate problem items where a check does not match up with the enclosed payment stubs?
2. Do you or the post office perform a fine sort by box number? If you perform a fine sort, describe the equipment used and its capability (e.g., can it read bar codes?).
3. How long does it take from mail pick up at the post office to delivery to the lockbox department?
4. How do you measure service quality for your lockbox services? Provide recent examples of service quality reports. Provide explanation of how errors were resolved.
5. If you use a third party provider for lockbox services, describe how you monitor the third party's performance, and samples of quality reports.

### **Truncating Checks – ARC Conversion**

1. With a volume of 3,400 checks a month, would you recommend remote capture services? If the City uses lockbox services, and only processed 1,000 checks a month, would you still recommend this service?
2. Briefly describe how we would use the service, including any limitations we might face and the level of training needed.
3. What equipment options do you recommend? What is the approximate cost of the equipment and service? Do you accept transmission from other types of equipment? Explain any limitations or restrictions.

### **Point of Sale Credit Cards**

Currently the City will accept credit card payments for utility bills online only. As a service to our customers, the City will consider implementing credit card payments from customers paying at City Hall and over the telephone.

1. What would be the cost of the services?
2. What would be the cost per unit of the necessary equipment?

3. What are the restrictions, if any, for credit card payments received in person or by telephone?

**Refinancing Current Bank Loans**

The City is contemplating refinancing the City’s qualified bank loan debt. The City has approximately \$12.9 million in three outstanding bank loans as of December 31, 2009. All three loans have SWAP agreements valued at approximately \$869,000 as of December 31, 2009, against an average fixed rate of 4.3%.

The details of the loans are illustrated as follows:

	Approximate Outstanding Principal at 12/31/09	Years remaining	SWAP Liability at 12/31/09
2004 Loan	\$ 2,171,435	14.5	114,930
2005 Loan	5,738,351	16.5	364,547
2007 Loan	<u>4,986,011</u>	18.0	<u>389,987</u>
	<u>\$ 12,895,797</u>		<u>869,464</u>

Would the bank be willing to combine and refinance these loans for a 15 and 20 year term?

1. If so, please provide the current fixed rate available to the City, the amount needed to consolidate and refinance the three loans, and approximate quarterly payments for 15 and 20 year terms.

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**E. REFERENCES**

Please provide three good references, preferably from organizations with the same service requirements as the City or greater. The references should be governmental but not required however; the contact should be well versed in the bank's commercial online services. The fourth reference should be an organization that previously utilized your services and did not renew the contract this past year however, if that is not available, please note that in the reference section.

1. Organization \_\_\_\_\_

Address: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email address: \_\_\_\_\_

2. Organization \_\_\_\_\_

Address: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Telephone \_\_\_\_\_

Email address: \_\_\_\_\_

3. Organization \_\_\_\_\_

Address: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Telephone \_\_\_\_\_

Email address: \_\_\_\_\_

4. Organization \_\_\_\_\_

Address: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email address: \_\_\_\_\_

**E. AVAILABILITY OF FINANCIAL REPORTS AND INVESTMENT POLICY**

Two years of financial reports may be found on the city's website at <http://www.palmettofl.org/index.aspx?nid=170> . Please contact the Purchasing Agent for additional financial information.

The City's Investment Policy is available at the end of this document, Exhibit A.

**G. PROJECT GUIDELINES AND CRITERIA**

Banks should identify all support and technical personal assisting the City in day-to-day operations and the conversion process. These personnel may be changed if those personnel leave the firm or for other reasons with the express prior written permission of the City. However, in either case, the City will retain the right to approve or reject replacements.

**END OF PART II**



**CITY OF PALMETTO  
REQUEST FOR PROPOSAL  
RFP – BANKING SERVICES**

**PART III – INSTRUCTIONS FOR PREPARING PROPOSALS**

**1. RULES FOR PROPOSALS**

The proposal must name all persons or entities interested in the proposals as principals of the Project Team. The proposal must declare that it is made without collusion with any other person or entity submitting a proposal pursuant to this RFP.

**2. PROPOSAL FORMAT**

Proposals shall be marked "RFP – Banking Services", and shall include one (1) signed original and six (6) copies of the proposal. Banks shall prepare their proposals using the format outlined in the following section under the Proposal Requirements.

**3. PROPOSAL REQUIREMENTS**

Reviews the information required under Part IV Evaluation Criteria and provide the following information:

**A. *Bank Introduction***

**B. *Institutional Bank Information:*** Provide corporate name, address, phone numbers along with contact information.

*Local Bank Information:* Provide local bank office address, phone numbers along with local and contact information.

*Governmental Contact Information:* Provide governmental contact name, bank office address and phone numbers.

**C.** If this is to be a joint venture, or sub-consultants will be used, give name, address, telephone number, and contact person.

**D. *Licensing:*** An affirmative statement shall be included that the Bank and all assigned key professional staff are properly licensed to practice in Florida.

**E. *Financial Condition and Stability***

1. A bank submitting a proposal must be:

a. A Federal or Florida chartered bank with a branch located within five miles of Palmetto, Florida.

b. A member of the Federal Reserve System.

c. An approved public depository by the Treasurer of the State of Florida in conformity to the Florida Security for Public Deposits Act (Chapter 280 Florida Statutes).

2. The proposer must submit a summary of the institution's financial resources including size of assets, liability, earnings and annual reports of bank and holding company, if any, for the last two years.
3. Proposer must have adequate organization, facilities, equipment, and personnel to ensure prompt and efficient services to the City. The City reserves the right before recommending any award to inspect the facilities, organization, and financial condition or to take any other action necessary to determine the ability to perform in accordance with specifications, terms, and conditions.
4. Proposer should list the most current collateral pledging level/percentage as required by the State of Florida.
5. The proposer may submit any other information the proposer believes relevant to the selection of a depository bank.
6. Provide information on the results of any federal or state bank reviews with assigned ratings the past three (3) years.
7. Provide information on the circumstances and status of any disciplinary action taken or pending against the Bank during the past three (3) years with state regulatory bodies or professional organizations, if applicable.
8. Provide a summary of any litigation filed against the Bank in the past three (3) years that is related to the services that Bank provides in the regular course of business. The summary shall state the nature of the litigation, a brief description of the case, the outcome or projected outcome, and the monetary amounts involved.

**F. *Core Services and References:*** Provide responses to questions in Part II Sections A, B and C. Complete Service Charges for Core Services spreadsheet (available in Excel by request). Provide interest and investment earnings information as requested. Identify principal staff members, manager, specialists and other team members who would be assigned to support the City.

**G. *Ability to Provide Future Services:*** Provide information as requested in Part II Section D.

**H. *Identification of Anticipated Potential Problems:*** Identify and describe any anticipated potential issues or considerations, the Bank's approach to resolving these issues, and any special assistance that will be requested from the City.

**I. *Specific Approach:*** The Bank should set forth a work plan, including an explanation of the methodology to be followed, to perform the services required in developing the work plan.

**J. *Required Forms:*** Submit four forms included in this proposal Proposers Certification, No Lobbying Affidavit, Public Entity Crimes Form and Drug Free Workplace Certification.

**END OF PART III**

## PART IV – EVALUATION OF PROPOSALS

### 1. EVALUATION METHOD AND CRITERIA

#### A. General

The City shall be the sole judge as to the merits of the proposal, and the resulting agreement. The City's decision will be final.

The City's evaluation criteria will include, but shall not be limited to, considerations listed under Part II – Scope of Services. As mentioned in Proposal Format, the proposals should be prepared using the format outlined in the Proposal Requirements. Proposers are advised, and should take into account in the preparation of their proposals, that in the evaluation shall include, but is not limited to, consideration of such factors as: bank stability; experience; capabilities; past record; past performance; adequacy of personnel; location; ability to furnish the required core services; ability to furnish future services; interest earnings structure; cost of services; and such other factors as may be determined by the City to be applicable to the particular requirements of the project for which the professional services have been requested.

#### EVALUATION CRITERIA

#### PERCENTAGE(WEIGHT)

#### Bank's financial condition and stability

30

- A. Qualified Public Depository
- B. Bank reviews and ratings
- C. Financial condition
- D. Current financial stability

#### Ability to provide the City's Core Services and References

30

- A. Location of nearest banking facility
- B. Support team
- C. Ability to provide – online banking services, disbursement and deposit services, positive pay, ACH services, electronic statements, online credit card payments, wire transfers, check imaging on CD and online
- D. Adequate support personnel for conversion and daily services
- E. Viewing online same-day and previous day's transactions
- F. ZBA accounts or equivalents
- G. Options for cashing payroll checks of non-banking employees
- H. Overall responses to questions in Part II
- I. References per Part II Section E

**Costs and Interest Earnings**

**25**

- A. Reasonable costs of core services
- B. Reasonable projection of costs over the three year contract term
- C. Competitive interest earnings on cash accounts and investments

**Ability to Provide Future Services**

**10**

- A. Payroll Pay Cards
- B. Courier/Armored car pickup
- C. Lockbox services
- D. Remote check processing
- E. Point of sale credit card processing
- F. Refinancing current bank loans

**Location**

**5**

- A. Banks with a branch inside the City of Palmetto
- B. Banks outside Palmetto city limits with a branch in Manatee County within 5 miles

**TOTAL EVALUATION**

**100**

- A. **Selection:** City staff shall evaluate and rank the proposals submitted by all proposers.
- B. **Schedule:** The *anticipated* schedule for this project is as follows:

Target Dates	Description of Events
April 5, 2010	Advertise and Distribute RFP
May 12, 2010	Proposal Submission to Purchasing Dept 2: 00pm
Mid-June, 2010	Interview with top bank applicants
End of June, 2010	City staff evaluates proposals and make recommendation
End of July, 2010	City Commission Award and Post Award
Beginning of August, 2010	Execute Agreements and Begin Implementation
October 1, 2010	New Bank Depository Services Contract period begins

**END OF PART IV**