

REQUEST FOR PROPOSAL

Banking and Cash Management Services

CITY OF BURLINGTON VERMONT

Issued: April 30, 2013

Proposals Due: May 28, 2013

REQUEST FOR PROPOSAL
For Banking and Cash
Management Services

City of Burlington, Vermont

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CITY OF BURLINGTON, VERMONT

Banking and Cash Management Services

Request for Proposal

I. INTRODUCTION

Overview

The City of Burlington, Vermont (City) is requesting proposals from qualified financial institutions for banking and cash management services beginning July 1, 2013. Any contract entered into as a result of this Request for Proposal (RFP) will be for a three year period.

The City's goals for banking and investment activities are to maximize the benefits that accrue through the efficient processing of cash inflows and effective utilization of idle cash, as well as promote the economic stability and growth of Burlington and all of its neighborhoods.

The banking and cash management services requested in this RFP include the City's General Operating Account as well as accounts utilized by the following departments: School Department, Burlington Electric Department (BED), Burlington Telecom, Department of Public Works (DPW), Community and Economic Development Office (CEDO), Parks and Recreation Department and the Church Street Marketplace.

Proposals are due Tuesday, May 28, 2013 2PM Eastern Time. No faxed proposals will be accepted.

The City reserves the right, in its sole discretion, to reject any and all proposals, to waive any irregularity or informality in any response, and to accept or reject any item or combination of items.

The proposer understands and agrees that the City shall have no financial responsibility for any of the costs or losses incurred as a result of the proposer responding to this Request for Proposal.

Background

In past years, TD Bank has provided the City with banking and cash management services. The performance of TD Bank has been satisfactory and we encourage TD Bank to participate in this bid process. The City is seeking bids because the current banking contract has expired.

RFP Questions and Communications

A Pre-proposal conference is scheduled for 2 PM EST Friday, May 10, 2013.

Attendance or participation via teleconference is required for banks interested in being

considered. In this RFP, see Section IV: Pre-proposal Conference and Advance Questions” for more information.

Non-Discrimination

All financial institutions interested in responding to this RFP will be afforded an opportunity to submit statements of qualifications in response to this request and will not be discriminated against on the basis of political or religious affiliation, race, color, national origin, age, sex, sexual orientation, gender expression, veteran status or disability in receiving consideration for any award of any contract entered into pursuant to this Request.

II. TIMELINES AND SCHEDULES

RFP Timeline

	<u>2013</u>
RFP Issued by the City	April 30
Deadline for advance RFP questions (noon EST)	May 7
Pre-proposal conference (2:00 PM EST)	May 10
Answers to RFP questions available online	May 14
Proposals due (noon EST)	May 29
Interviews with Respondents selected for further consideration	June 3 – 7
Selection of Finalists	June 14
Board of Finance Approval Process	June 17-21
Award Announcement	June 24
Contract Commences	July 1

* Each date subject to change. Check RFP page on City website for latest schedule.

Selection Time Frame

It is anticipated the selection of a bank will be completed by June 21, 2013 with action slated by the Board of Finance at that time. Following the notification of the selected bank, it is expected that a contract will be executed between both parties by June 24, 2013 and services to begin July 1, 2013.

III. CITY ACCOUNTS DESCRIPTION AND ACTIVITY

1. Description of Accounts

A. General Checking Account - This account consists of monies pooled from

- many City funds including the General, Airport, Water and Wastewater funds. It is used for payments processed through the accounts payable system, deposits of taxes and other revenues, the processing of bond payments, as well as ACH and EFT transfers. This account includes the cash management investment sweep account which invests excess monies daily from various city accounts as identified below.
- B. (1) City Payroll Checking Account – This account is used for payroll payments processed through the City’s in-house payroll system including direct deposits and checks. This account sweeps daily to a zero balance with balances in excess of zero swept to the general fund cash management investment sweep account.
- (2) Holding Account for Payroll Processed by New World Accounting System – This account is used as a holding account for the City’s Payroll account.
- C. Parks and Recreation Account – This account is used for the processing of deposits (cash, checks, credit card receipts) related to events and activities of the Department of Parks and Recreation. The activity in this account is seasonal and during the summer months may be double that which occurs during the rest of the year. This account sweeps daily to a zero balance with balances in excess of zero swept to the general fund cash management investment sweep account.
- D. DPW/Traffic Division Checking Account - This account is used for all deposits collected from the City’s parking meters, lots and garages. A large percentage of these deposits will be in the form of coins. We require a bank branch in downtown Burlington so the City’s parking meter collector can deliver coins to a downtown bank location. The City asks that there be no courier charge for coin counting and that coin counting be completed and deposited within 2 business days of the bank’s receipt of the coins. This account sweeps daily to a zero balance with balances in excess of zero swept to the general fund cash management investment sweep account.
- E. School Checking Account - This account is used for all accounts payable and payroll payments for the Burlington School Department.
- F. CEDO General Account - This account is used by the Community and Economic Development Office to receive grant money from the U.S. Department of Housing and Urban Development and to reimburse the City’s General Fund for invoices paid.
- G. CEDO Payroll Account - This account is used by the Community and Economic Development Office to process payroll payments for the AmeriCorps program.
- H. Burlington Electric Department (BED) Checking Account – This account is

used for all accounts payable processed through the accounts payable system, deposits of utility payments through a direct debit program, as well as other ACH and EFT transfers. The City requires a lockbox capability. An associated money market account is used to hold excess cash pending future disbursements more than a month away.

- I. BED Payroll Account – This account is used for payroll payments processed through the Burlington Electric Department’s in-house payroll system which includes direct deposit and checks. It is funded by a weekly transfer from the Burlington Electric Department checking account.
- J. BED General Obligation Bond Dept Service Money Market Account - As payments on the bond are due, monies are transferred from this account to the BED Checking Account. The bond account accumulates about \$260,000 per month and will be drawn down for interest and principal payments on the GO bonds, with major draw downs in April and October for payments due May 1 and November 1. The average balance over the course of a year will be about \$1,200,000 with a high of about \$3,000,000 and a low of about \$100,000. There will be approximately eight ACH payments from it per year, and will have 12 ACH deposits to it per year.
- K. Burlington Telecom Checking Account – This account is used for all deposits in payment of Telecom bills. The City requires a lockbox facility, bill pay, credit card and online payment facility.

2. Monthly Account Activity

Account	Deposit Amount	Number of Deposits	Number of Electronic Deposits	Checks Processed	Checks Paid/Sorted	NSF Checks Processed	EFT/ACH Transaction and OCR Items Processed	Wire Transfers Processed	Average Ledger Balance
General Checking	\$20,800,023	101	111	10722	1078	11	780	4	6,883,405
General Payroll	2428922	1	1	385	385	-	59	-	0
Parks & Rec.	280094	61	92	292	-	2	134	-	0
DPW -Traffic	251644	409486	51	299	-	1	410	-	0
School	4110262	110	46	601	794	2	576	-	179,509
CEDO Sec 108	0	-	-	-	-	-	-	-	0

CEDO General	69482	1	1	-	-	1	-	38781	
CEDO Payroll			-	-	-	-	-		
CEDO Loan Repayment	70	-1	1	-	-	-	1	70	
BED	9,300,000	*102	166	11,070	373	22	100	17	2,507,770
BED Payroll	527,000	-	4	-	80	-	450	-	33,000
Telecom	540725	63	90	2679	-	4	5172	2	170,560
Totals	\$ 26,733,693	951	2028	21,778	2500	39	11140	11	\$7,957,492

The numbers in the table reflect averages over a period of a number of months and fluctuate daily.

The following three accounts (1) City Payroll Checking Account, (2) Parks and Recreation Checking Account, and (3) DPW/Traffic Division Checking Account sweep daily to the General Checking Account. Each night these three accounts are brought to a zero balance by transfers to or from the General Account as needed to zero out. The General Account is required to maintain a collected target balance (Respondents are to specify the amount). After the daily sweeps are made for these accounts the surplus is transferred to the Investment Sweep account. If the collected target balance is less, then money is transferred from the Investment Sweep account to the General Account to maintain the target balance. The City would like to know the minimum target balance needed in order to have free checking account services.

IV. PRE-PROPOSAL CONFERENCE / ADVANCE QUESTIONS

Financial institutions interested in responding to this RFP are specifically directed NOT to contact any employees or officials of the City other than those specifically designated in this RFP and its Attachments. Unauthorized contact may be cause for rejection of proposals at the City’s sole and absolute discretion.

Advance Questions

Questions regarding the City of Burlington and this RFP shall be made in writing and directed to

Rich Goodwin, Assistant Chief Administrative Officer Finance
City of Burlington
City Hall
Room 20, 149 Church Street
Burlington, VT 05401
e-mail: rgoodwin@burlingtonvt.gov

Any questions and answers will be shared with all respondents.

The Evaluation Team will review their recommendation with the Chief Administrative Officer for the selection of the Contractor.

The awarded Contractor will coordinate his/her services with various city departments through the Office of Clerk & Treasurer.

Pre-Proposal conference

The pre-proposal conference will be at 2:00 PM on May 10, 2013. At the pre-proposal conference, the City will provide an overview of submission requirements and answer advance questions about the RFP.

Attendance or participation via teleconference is required for banks interested in being considered. If a representative from your financial institution cannot attend in person, you may participate via conference call at this time. Please contact Rich Goodwin, Assistant CAO Finance, at (802) 865-7013 if you plan to attend or would like to participate in this conference call.

A summary of the substantive information, advance and pre-proposal questions and answers pertaining to this RFP will be posted on the City's Clerk and Treasurer website at www.burlingtonvt.gov/RFP.

Prospective Respondents are advised to continue monitoring the City's RFP web page as the City reserves the right to issue corrections or addendums to this RFP at any time prior to the bid opening.

V. PROPOSAL SUBMISSION REQUIREMENTS

Time and Place for Submission of Proposals

Proposals and all related materials must be received by 2 PM on May 26. Proposals may be hand delivered to the Clerk & Treasurer Office at City Hall or mailed to:

Rich Goodwin, Assistant CAO Finance
City of Burlington
City Hall
Room 20, 149 Church Street
Burlington, VT 05401

Emailed proposals will not be accepted.

Proposal Package

The following items must be included in your proposal and packaged in a box clearly marked "**RFP for Banking and Cash Management Services for the City of Burlington**".

Complete but concise proposals in the format provided are recommended for ease of review by the Evaluation Team. Proposals should provide a straightforward, concise description of the respondent's ability to satisfy the requirements of the RFP. The RFP permits a respondent to Offer or submit a proposal for one or more services. The bank shall clearly state which services it is offering to perform in its proposal. All information requested must be provided. The City of Burlington reserves the right to disregard incomplete proposals.

Marketing and sales type information should be excluded. All parts, pages, figures, and tables should be numbered and clearly labeled. Faxed or emailed proposals will not be accepted.

Interested Respondents should submit two separate proposals under separate cover within the previously described and labeled box.

The first proposal is the Technical Requirements Proposal ("TRP") and should provide the respondent's proposed services pursuant to this RFP. In order to facilitate evaluation, the proposing institution is instructed to follow the outline below in responding. Statements that do not follow the outline, or do not contain the required information may be considered as unresponsive quotes. Additional and more detailed information may be annexed to the main body of the reply.

The second proposal is the Cost Proposal ("CP") and should set forth the respondent's proposed compensation for the study.

The Technical Requirements Proposal should include:

The Technical Proposal, under separate seal (with original signatures), and labeled as "Original Technical Proposal", should include:

- A. "Original" completed RFP Attachments I, II, III, IV, (with original signatures).
- B. Three (3) complete printed copies (please collate into sets for the Evaluation Team's review), including any sample reports and additional material that you want the Evaluation team to consider.
- C. Two (2) CD-ROMs, each containing entire contents of Technical Proposal, including all Attachments. The CD-ROM and electronic files on the CD-ROM must be labeled with the Respondent's name. All files should be submitted in unprotected PDF or Microsoft Word.

The Cost Proposal should include:

The Cost Proposal, under separate seal (with original signatures), and labeled as "Original Cost Proposal", should include:

- A. "Original" completed RFP Attachments V (Fee Schedule), with original signatures and all additional information related to fees, etc.

- B. Three (3) complete printed copies (please collate into sets for the Evaluation Team's review), including any sample reports and additional material that you want the Evaluation team to consider.
- C. Two (2) CD-ROMs, each containing entire contents of Cost Proposal. The CD-ROM and electronic files on the CD-ROM must be labeled with the Respondent's name. All files should be submitted in unprotected PDF or Microsoft Word.

VI. THE TECHNICAL REQUIREMENTS PROPOSAL

Respondents to this RFP are advised to review Attachments I, II, and III before beginning work on RFP Attachment IV to ensure they can meet the City's requirements.

- RFP Attachment I: Acknowledgement of RFP Terms and Conditions**
- RFP Attachment II: City's Administrative Requirements**
- RFP Attachment III: City's RFP Terms and Conditions**
- RFP Attachment IV: Response Template**

THE TECHNICAL REQUIREMENTS PROPOSAL RESPONSE TEMPLATE

In order to help the evaluators compare proposals, please follow the organization of information as outlined in the Response Template (RFP Attachment IV). Please complete your response in the template provided, using as much space as needed. Indicate clearly where separate documents are provided. In order to receive the maximum amount of points, please be sure to follow this format carefully and thoroughly (but concisely) address each section. Please ensure your response meets the Minimum Qualifications so that it will be evaluated.

Section A: Respondent's Contact Information

Following the template provided as Attachment IV, this section should contain the name of the contact person, the address, and the telephone number of the bank submitting the proposal.

Section B: Minimum Qualifications

Any proposal that does not demonstrate that the Respondent meets these minimum qualifications by the proposal deadline will be considered non-responsive and will not be evaluated or eligible for award of any subsequent contract(s).

- A. Bank certifies that it has completed the requirements and submittal of forms described in RFP Attachments I through V.

- B. Bank certifies that it has the professional experience and staffing necessary to serve the City with the requested services. As part of its Technical Proposal Package, and as detailed in RFP Attachment IV, the Respondent needs to submit two Prior Engagement Descriptions. These will be used to verify the Respondent's experience and to determine whether the Respondent meets specific Experience Minimum Qualifications, and whether its Proposal Package will be forwarded to the Evaluation Team.
- C. Bank certifies that it is an authorized public depository as determined by the State of Vermont and the Vermont State Department of Banking Insurance, Securities, and Health Care Administration (BISHCA). Bank submitting a proposal must be legally able, under all applicable state and federal laws and regulations, to provide services to a municipality of the State of Vermont.
- D. Bank must be "Chartered" and of known reliability and sufficient capital.
- E. Bank must offer terms upon which they will offer temporary and emergency funds
- F. Bank must be FDIC insured. City deposits in excess of FDIC coverage must be fully collateralized.
- G. Bank certifies that it has all insurance(s) required by state and federal law; that the policies meet or exceed the mandated coverage requirements.
- H. Bank certifies that it has professional or other liability insurances for other non-deposit services.
- I. Bank must maintain a fully staffed branch in downtown Burlington, VT and within 2 miles of the Burlington International Airport. If at any time the bank fails to meet this requirement, the bank understands that the City has the right to require that the Bank immediately turn over to the City all funds on deposit, in any type of account or instrument, **without any penalty of any kind, or any delay of any kind.**

Section C: Bank Qualifications

The Bank needs to certify that it has adequate organization, facilities and personnel in place to ensure prompt and efficient services to the City. The City reserves the right 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 before recommending any award.

Hence, in Section C of the RFP, the Respondent needs to provide information regarding the bank's history and structure, bank experience and client summary, capacity and resources, third party opinions, ratings, and references, as well as disclosure regarding any material events, pending litigation, and severed relationship.

Section D: Prior Experience Descriptive Summaries

Each Bank responding to this RFP should demonstrate its capabilities by providing two (2) accurate, Descriptive Summaries of representative engagements as part of the RFP Attachment IV.

In the two Descriptive Summaries, describe in detail the respondent's experience in providing the services requested in this RFP. If possible, Descriptive Summaries should focus on the respondent's experience with municipal clients.

Section E: Staff Qualifications

The Respondent is asked to provide an organizational chart of the bank with the key professional staff identified. Resumes of the key professional staff are requested.

The bank shall provide a designated account executive, an alternate, and the bank official with supervisory authority over the designated account executive. The designated account executive must have the authority to make timely decisions in the normal course of business on their own without having to refer to others within the bank.

A brief resume of the designated account executives must be submitted as part of the proposal. If any employees of the bank in these roles change, the City shall be notified immediately. Failure to comply with any part of this provision shall permit the City, at its sole discretion, to terminate the banking relationship, upon which the bank shall immediately turn over to the City all funds on deposit, in any type of account or instrument, **without any penalty of any kind, or any delay of any kind.**

For each key banking staff person to be assigned to assist the City with its banking and cash management needs, please complete the tables provided. The information requested will be used by the Evaluation Team to determine if the person has sufficient experience assisting clients of a size and complexity that is similar to the City.

Please be specific as to the person's competencies with banking and investment services. In addition, please provide the names of prior and present public sector clients that this person has served and describe the person's level of experience in dealing with special requirements of providing banking services to public entities.

Please provide feedback about this person from current and past customers of the bank. It is most useful to provide relevant references (similar in scope and complexity to the City) and to provide contact information for any reference checking that the City may wish to conduct.

Section F: Approach: Understanding Our Needs

List and explain the bank's: (1) Investment Services; (2) Banking Services; and (3) Optional Services, as defined below. The Respondent may provide additional information to help the Evaluation Team fully understand the scope and depth of the

respondent's experience with municipal clients.

It is important for Respondents to understand that deposits, ACH credits, and wire transfers shall be made available as soon as possible. The Bank shall include their schedule of availability in their proposal. Banks guaranteeing faster availability of funds will be considered more favorably in the evaluation process than those that do not.

(1) Investment Services

1. All City funds on deposit shall bear interest or be credited with an Earnings Credit Rate to offset service charges, or a combination of both interest and Earnings Credit. The rate that can be paid will be considered as a criterion in selection of the winning bank. Funds may be paid direct interest or invested in overnight instruments that are permissible under the City's investment policy (such as overnight repurchase agreements, etc.). The bank shall guarantee that the funds automatically swept from accounts at the end of the business day shall be fully available at the beginning of the next business day. The bank should describe the calculation for the Earnings Credit Rate (ECR). Please be specific. Is the reserve requirement deducted from the available balance before the ECR is calculated? Is there a fee or other assessment for FDIC insurance and how is the charge calculated? How does FDIC insurance apply under the Public Deposit Protection Act? Include the FDIC insurance fee on the fee schedule.
2. From time to time, the City may make longer-term investments of surplus cash, using low-risk investments such as certificates of deposit, or other instruments that are permissible under the City's investment policy.
3. All proposed products and interest shall be quoted in the bank's proposal as either a flat rate, or as a number of basis points above or below an industry-standard rate index.
4. The bank should offer a zero-balance and/or a target balance concentration checking account for receipts and disbursements. Funds in excess of the zero or target balance should be invested daily in a sweep account covered by an investment agreement. The securities included in the agreement and the rate of return should be specified. The method used should produce the lowest cost to the City and allow any costs to be easily identified. All account funds may be commingled on an overnight basis to maximize earnings potential.
5. Please describe investments available on a daily basis. Investment vehicles should at least include money market funds, repurchase agreements (backed by

U.S. Treasury instruments) and certificates of deposit up to bank individual limit covered by FDIC.

6. Provide information regarding when interest will be credited to all accounts, certificates of deposit and other investment instruments. Explain how and when changes are made to the rate of return on sweep accounts.
7. Provide a summary of investment returns for the last twelve months on the types of investments proposed for these accounts.
8. Identify if there is risk to the underlying principal held overnight in these accounts.

(2) Banking Services

For the services listed below please provide examples of any necessary procedural documentation.

1. Please provide a description of reconciliation services available, including electronic reconciliation capabilities. What provisions are made to get copies or electronic images of processed checks (if the checks are not returned with the monthly statements), and what is the turn-around time?
2. In addition to electronic services that may be proposed for reconciliation of accounts, the bank shall provide a paper statement to the Burlington Schools twice a month, and all other accounts no less frequently than monthly. All items, except for the School bank statements, shall be delivered to the City Clerk and Treasurer Office, Attention: Rich Goodwin, Assistant CAO Finance???, no more than three (3) days after the end of the month.
3. Explain the log-in process for accessing the on-line banking system and explain whether or not there are any other safety measures in your system once logged in. Please explain any extra security features.
4. Provide a description of when deposits will be credited to accounts and when local and non-local checks deposited become available for use.
5. Describe the daily deposit process and how deposit changes are handled, notified and documented.
6. Describe any fraud security services that your institution offers such as Positive Pay or Reverse Positive Pay programs. Please indicate if your institution provides a match for check serial number, dollar amount and payee. Indicate if "teller line positive pay" is provided by your institution. Please indicate whether your institution's fraud services include ACH debit blocks/filters and Universal Payment Identification Code. Describe how your institution provides on-line self service management of these capabilities.
7. Describe wire transfer procedures including daily cut-off times, maximum amounts

without advance notice and daylight overdrafts. Please indicate if wires can be pre-dated, and if so for how long. Provide additional detail about managing wires on-line with dual authorization and dollar limits.

8. Describe procedures for ACH and EFT transactions. A secure, Internet-based transmission method will be considered more favorably in the evaluation process. Please provide information about how the City can view the return/reversal activity, and if/when the detail on ACH transactions is available to view. Please describe your process for working with the City in the event that ACH limits are exceeded and how new limits are established.
9. Please identify the fully staffed service locations in the City Center, near the Airport, and near Leddy Park where regular, after hours and coin deposits may be made. Also, note the deadline at each location for deposit delivery to ensure same-day credit.
10. Describe any special handling of Canadian coins. Are Canadian coins accepted at par with \$U.S.?
11. Describe your program that would enable the City to access accounts in the bank's computer system, obtain the on-line status of account balances and perform account transfers, transactions, and provide on-line printed and/or downloaded information for the reconciliation of cleared and outstanding checks.
12. Describe any other relevant on-line services your institution offers.
13. Describe your institution's merchant credit card program for processing cash receipts.
14. Describe your institution's purchasing credit card program for departmental credit cards. Further describe your procurement card program and any fees associated with it. Indicate if personal credit is considered for individual card holders. What tools are available for on-line management of your card program? Please describe reporting capabilities and download functions.
15. Describe in detail your institution's online credit card processing and automated bill paying services. Please include information on any in house management along with any outsourcing of this service. Please identify all third party involved in online/credit card processing. Include transaction cost structure and software costs, if any. Also describe in detail the procedures in place to protect against fraudulent on-line account activity.
16. Does your institution offer a platform to facilitate the processing of online consumer to business payments as a method of payment for utility service, taxes, etc.? Could this solution handle other types of incoming revenues and do you provide payer choice of credit card or ACH debit? Please describe your platform and how information is gathered from the transactions to be uploaded into the City's system for ease in posting. Does your system provide an enrollment feature

and can the payer be provided an advance “reminder” notice?

17. Describe the procedure for short-term borrowing, including notification requirements and turn around times. The City requires that the bank make available to the City up to \$ 20 million through a line of credit and/or revenue and tax anticipation notes.
18. Are any of the services that your institution would offer the City subcontracted out to a third-party, requiring a separate contractual agreement?
19. Describe your process for notifying the City of bounced checks and ACH and direct deposits initiated by the City that are kicked-back. Does your institution offer the ability to convert deposited items returned to ACH for second presentment? The Senior Accountant of the City’s Clerk and Treasurer’s Office would like the bank to call her the same day that any of these events occur. Can you bank commit to doing this and provide all of the details in this telephone conversation? In addition, for each of these events, please indicate if and when this information is available on-line or if the bank will be able to send written notice to the City Office of Clerk & Treasurer within two days. Can the bank provide us with this service?
20. The City needs the bank to be responsible for not processing stale checks. If a stale check is processed by a bank teller, the bank needs to: (1) call Mary Fortier, Senior Accountant, the same day as the check was processed; (2) send written notice to the City within two days; and (3) if relevant, not charge the City indefinitely for any/all Stop-Payment orders on replacement checks that were issued by the City to replace the stale check if the date on the replacement check precedes the date on the written notice provided by the bank.
21. Describe your cash vault services and how cash orders are handled.
22. Describe your remote deposit capture services. Provide detail on your service and if multiple locations can be set-up. How are images viewed and stored? How long has the bank offered remote deposit services?
23. Describe your institution’s ability to accept a consolidated payables file. Can the City send a single file containing any combination of check, ACH, and/or wire payments? Do you offer features such as secondary approvals and historical reporting to allow the City to further streamline their payables process? Do you offer electronic confirmations with tracking details to help verify the accuracy and completion of all files processed?
24. Describe your bank’s check printing and mailing services. Can you accept an expanded check issue file to make the check disbursement process simpler and reduce vulnerability to fraud? Please provide detail regarding the interface with positive pay and other fraud protection services associated with this service. Describe how the bank can insert marketing material or other correspondence with the checks.

25. Describe your bank's controlled disbursement account functionality. What time are inclearings made available?
26. Describe your bank's lockbox services. Please highlight the bank's quality control checkpoints and the components that are directly controlled by the lockbox manager. Does the bank offer imaging services for lockbox? If imaging is offered, what documents can be imaged? Do you image both front and back? Can images be accessed on the same day they are processed? If so, by what methods and by in what timeframe?

(3) Optional Services

In addition to the minimum requirements outlined above, the City is interested in examining the availability and costs of:

- Guaranteed matching rates on other institutions' investment vehicles;
- Municipal lease purchase agreements;
- Coin counting services for the Traffic Department's meter collections in the center city area;
- And any other services that the bank believes would be of benefit to the City.

Section G: Support and Involvement

Describe the bank's expectations and/or assumptions of the City's involvement or level of effort, including communication protocols necessary to keep banking services running smoothly.

Provide a list of questions you would need answered and the data or other City resources you would need access to to successfully establish and maintain banking and cash management services.

Describe how the bank's approach is different or more effective than other banks providing the same services. Describe any other program, service, expertise, experience, data or technology that provides the financial institution with a competitive edge or advantage that will provide a benefit to the City. Include any lessons that you have learned.

Section H: Implementation Plan for Transition

This section of the Respondent's Technical Proposal should describe (if relevant) their proposed approach and implementation process for transitioning the City from its

current financial institution to the Respondent's.

The bank shall describe how it would successfully transition the City's bank services from another bank. All banks, including the incumbent, shall complete this section. Banks shall propose a plan that transitions the services during a period not to exceed 120 days. The response shall detail how the bank's approach will ensure all processing is successfully transferred, impacts to all customers are minimized, clear communications are established, and risk mitigated. The response should include an outline of the significant transition tasks including their respective timeframes. The bank should also take the opportunity to explain any unique services or products that they believe will ease the transition and benefit the City and/or its customers.

Further, the Respondent should describe the effort and skills necessary to complete the transition. The technical proposal should contain at least the following information:

- A detailed list and timeline of the support activities, tasks, and reports that will need to be completed by the City's current financial institution to enable the transition.
- A detailed list and timeline of the support activities, tasks, and reports that will need to be completed by the City.
- A detailed list and timeline of the support activities, tasks, and reports that will need to be completed by the Respondent.
- An overall schedule and flow chart showing the steps and describing how the transition will be accomplished.
- A discussion of any/all computer interfaces with the City that will be used or are available to provide services.
- A summary of the problems which the financial institution might reasonably expect and the approaches to those anticipated problems.

Section I. Social Responsibility & Neighborhood Commitment

1. Demonstrate how and to what extent your institution has met and will meet, for the proposed contract period, the credit and financial service needs of the people and neighborhoods of the City of Burlington, especially those individuals with lower and moderate incomes. Specifically, please provide a description, quantity and dollar volume for each of the following:

A. Special programs for servicing the credit needs of very low, low, and moderate

- income residents and home buyers¹;
- B. Commercial and energy efficiency loans to very low, low, and moderate income neighborhoods;
 - C. Programs or Loans to women-owned and minority-owned businesses;
 - D. Contributions and loans to nonprofit community development corporations²;
 - E. Support to public housing development;
 - F. Mortgage and energy efficiency repair loans to residents of very low, low, and moderate income neighborhoods during the previous five years;
 - G. Purchase of Burlington municipal bonds and/or low income tax credits³;
 - H. Contributions to municipal activities and community events;
 - I. Participation in high-risk City and/or social development projects; and,
 - J. Pro-bono technical assistance to nonprofit community development corporations.

2. The bank must be able to provide within thirty (30) days of June 30th and December 31st a report to the City's Chief Administrative Officer, describing how the bank has utilized the City's deposited funds within Burlington for the six months just ended. The report shall include, but need not be limited to, residential lending information, commercial lending information, and consumer lending information, savings and checking information. In addition, within the larger aforementioned categories, the bank shall show all financial activity related to small, minority-owned and women-owned businesses and those individuals with low and moderate incomes.

Section J. Additional Information

This section should contain any additional information that the Respondent feels is pertinent information that has not been mentioned anywhere else in the RFP.

- A. Frequency of contacts (both in person and by phone)

¹ Very low, low, and moderate income, as used in this document, is defined in the Housing Code of Ordinance of the City of Burlington, Chapter 18, Sections 18-400 and 18-401.

² Community Development Corporation, as used in this document, means a public entity or a 501(c) (3) tax-exempt, non-profit corporation whose purpose is creating or preserving housing for very low, low, and moderate income persons, or promoting local economic development.

³ Income tax credits, as used in this document, are as defined in the Federal IRS Code , Section 42, and/or the State's Title 32 VSA, Section 5830 (c) .

- B. Bulletins, webinars, and other material from the industry at no charge or discounted.
- C. Proof of Insurance (See RFP Attachment II and RFP Attachment IV, Section B).

VII. THE COST PROPOSAL (RFP Attachment V)

The City's preference is to ***not*** use the compensating balance method for paying any banking fees. Fees for all services shall be invoiced no less than once per quarter, preferably monthly. Fees shall ***not*** be deducted from any of the accounts of the City held by the bank.

All services provided by the bank shall be invoiced on the same, itemized invoice, if possible. Fees for any type of service shall not be included in, credited against, or deducted from a transaction amount.

All fees for services need to be detailed in RFP Attachment V, including fees for supplies, transactions, handling items, and exceptional matters. If the fee is not disclosed for a service, the bank shall be deemed as providing the service for free.

No Banking Fees of any type shall increase for a period of one (1) year from the date of initiating any Agreement for Service with the bank. If any fee increases without the express written consent of the City, the City shall have the option of terminating the banking relationship, upon which the bank shall immediately turn over to the City all funds on deposit, in any type of account or instrument, without any penalty of any kind, or any delay of any kind.

Full fee disclosure should be provided in the Fee Schedule that is part of RFP Attachment V. Quotes must be on or in the format of the forms provided. All information requested must be provided.

Please provide additional schedules, explanations, and information as needed regarding fees, etc. The City of Burlington reserves the right to disregard incomplete quotes.

If any opportunity for further discounts exists, such as encoding and proofing our own deposits, please describe in further detail.

The bank cannot charge the City for any other services without prior approval. Any additional fees may not exceed the lowest fee charged to any of the bank's other customers.

VIII. EVALUATION CRITERIA

The RFP bid proposal evaluation process is structured so that the City of Burlington will select a financial institution who would:

- A. Have the ability to collateralize all City of Burlington deposits.
- B. Have adequate financial resources for performance or have the ability to obtain such resources as required during performance.
- C. Have the necessary experience, organization, technical and professional qualifications, skills and facilities.
- D. Have a satisfactory record of performance.

In no case will price be allowed to serve as the sole criterion for the selection of a financial institution.

This section describes the guidelines used for analyzing and evaluating the proposals. It is the City's intent to select Respondents for contract negotiations that will provide the best overall service package to the City inclusive of fee considerations.

Respondents selected for contract negotiations are not guaranteed a contract. This RFP does not in any way limit the City's right to solicit contracts for similar or identical services, if, in the City's sole and absolute discretion, it determines the proposals are inadequate to satisfy its needs. As in all professional service contracts, the City reserves the right to accept other than the lowest offer and reject all proposals that are not responsive to this request.

Evaluation Team

All quotes submitted in accordance with the above will be evaluated by the City of Burlington representatives and the Chief Administrative Officer of the City of Burlington and reviewed by the City Council's Board of Finance.

An Evaluation Team will be responsible for the evaluation and rating of the proposals, for conducting reference checks, and for interviews, according to the schedule outlined on the RFP cover page. The quotes may also be evaluated by any other impartial party deemed necessary to give due consideration to each proposal.

The City of Burlington reserves the right, where it may serve its best interest, to request additional information or clarifications from those making proposals, or to allow corrections of errors or omissions. At the City's discretion, the Evaluation Team may conduct interviews with one or more respondents and the financial institution may be requested to make oral presentations as part of the evaluation process.

The City of Burlington reserves the right to only review the quotes without issuing a new contract. An award, if appropriate, will be made by vote of the City Council.

Proposal Evaluation Criteria (Total 100 points)

Proposals will be evaluated in accordance with information provided by the Respondent in RFP Attachment IV and the criteria below. The City reserves the right to evaluate additional criteria it deems appropriate, whether or not such factors have been stated in this section.

I. Qualifications and Experience – 40 points

Bank's Qualifications

- 1) Respondent's Bank History, Structure, Experience and Capacity
- 2) The safety and soundness of the financial institution
- 3) Respondent's total staff size and composition
- 3) Respondent's demonstrated experience with banking and cash management services the City is requesting
- 4) Respondent's experience with large governmental units, particularly in Vermont
- 5) Provides short-term notes or lines of credits as authorized by the City Charter
- 6) Provides over-night sweep for main operating accounting

Prior Experience Descriptions

- 1) Prior Experience Descriptions - Relevance to services the City is requesting and comparability in size and complexity
- 2) References provided in Prior Experience Descriptions: Relevance and Quality

Staff Qualifications

- 1) Local office staff size and resources
- 2) Commitment to provide continuity of qualified staff and to staff with local resources
- 3) Staffing Structure (Organization Chart with key contacts highlighted)
- 4) Staff Qualifications
- 5) References for assigned Staff

II. Approach: Understanding our Needs – 10 points

- 1) Content and quality of responses to RFP questions regarding Investment Services, Banking Services, and Optional Services
- 2) Management's involvement and commitment for direction and review of work
- 3) Degree of dedication and priority attention by assigned banking personnel
- 4) Respondent's ability to provide adequate and convenient services
- 5) Respondent's ability to use and provide access to technology for services
- 6) Ease of technology utilization by City employees and support provided by bank
- 7) Competitive differences

III. Social Responsibility & Neighborhood Commitment - 10 points

- 1) The financial institutions proven record regarding social responsibility and neighborhood commitment

IV. Cost/Gains – 30 points

- 1) Cost structure (up-front costs, recurring costs)
- 2) Interest income from funds placed on deposit with the bank

V. Completeness and Applicability of Proposal Submission – 10 points

- 1) Conformance with and applicability of information to RFP requirements
- 2) Quality and scope of the proposal
- 3) Overall quality of presentation including completeness and accuracy of information
- 4) Reasonableness and clarity of Cost Estimate

VI. Extra Considerations

- 1) Implementation plan for (steps, timeline, flow-chart for transition)
- 2) Explanation of work-plan and processes for on-going services
- 3) Ability to integrate technology based products into and inter-operate with City's existing software platforms (e.g. Excel)

The City reserves the right to apply the above criteria in any manner than it deems necessary, and to evaluate each firm separately or comparatively, using these criteria as it sees fit. The City also reserves the right to seek clarification from prospective firms on any issue in the proposal, invite specific firms for site visits or oral presentations, or take any other action it feels necessary to properly evaluate the proposals and construct a solution in the City's best interest.

Respondent Interviews

Interviews will consist of standard questions asked of selected Respondents to this RFP and specific questions regarding individual proposals. Interviews will be worth 100 points. Points awarded for interviews will be separate from the points awarded during the Proposal Evaluation process. The lead staff members that will be assigned to the engagement should be present for the interview.

IX. RIGHTS OF THE CITY OF BURLINGTON

A. Amendment or Cancellation of RFP

The City reserves the right to amend or cancel this RFP at any time if the best interest of the City requires such action.

B. Proposed Modifications

No additions or changes to any vendor's proposal will be allowed after the proposal due date unless such modification is specifically requested by the City.

C. Exceptions to Bid Specifications

The City reserves the right to require separate listings of exceptions to bid specifications or the exceptions will be invalid.

D. RFP Events and Timing

The timing and sequence of events from this RFP will be determined by the City. The schedule is detailed in Section II “Timelines and Schedules”. Vendor contacts will be notified of any amendment to this schedule during the RFP Process.

E. Proposal Expenses

The City assumes no liability for payment incurred by any vendor in responding to the RFP.

F. Acceptance or Rejection of Proposals

The City reserves the right to accept or reject any or all proposals submitted for consideration, in whole or in part, and to waive technical defects, irregularities or omissions, if in its sole judgment, the best interests of the City will be served. The City further reserves the right to accept a proposal for a contract other than that with the lowest cost, and to negotiate separately with any source whatsoever in any manner necessary to serve the best interest of the City.

G. Ownership of Proposals

All proposals submitted in response to this RFP shall become the sole property of the City.

H. Oral Agreements and Arrangements

Any alleged oral agreement or arrangement made by vendor with the City or any City employee will be disregarded in any department proposal evaluation or associated award.

I. Vendor Presentation of Supporting Evidence/Surety

Vendors must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that the City deems necessary to fully establish the performance capabilities represented in their proposals.

J. Vendor Demonstration of Proposed Services

Vendors may be asked to demonstrate specific proposed services of products including program components, software and hardware included in their response. Any requested demonstration will be provided at a site approved by the City and without cost to the City.

K. Vendor Misrepresentation or Default

The City reserves the right to reject the proposal of any vendor and void any award resulting from this RFP to a vendor who materially misrepresents any product or defaults on any City contract.

L. Erroneous Awards

The City reserves the right to correct inaccurate awards resulting from its clerical errors.

M. Public Records

Due regard will be given for the protection of proprietary information contained in all proposals received; however, vendors should be aware that all materials associated with this procurement are subject to the terms of the Vermont Access to Public Records Act (1 V.S.A. Chapter 5, Subchapter 3) and all rules, regulations and interpretations resulting from, and any other applicable rules, regulations or judicial decisions regarding access to the records of government.

It will not be sufficient for vendors to merely state generally that the proposal is proprietary in nature and not therefore subject to release to third parties. Those particular pages or sections which a vendor believes to be proprietary and of a trade secret nature must be specifically identified as such and must be separated from other sections or pages of their proposal. Convincing explanation and rationale sufficient to justify each exemption from release consistent with Section 316 of Title I of the Vermont Statutes Annotated must accompany the proposal. The rationale and explanation must be stated in terms of the prospective harm to the competitive position of the vendor that would result if the material were to be released and the reasons why the materials are legally exempt from release pursuant to the above cited statute. Between a vendor and the City, the final administrative authority to release or exempt any or all material so identified, rests with the City. **All such materials should be submitted in a separate sealed envelope and marked "CONFIDENTIAL".**

N. Offer of Gratuities

The vendor warrants, represents, and certifies that no elected or appointed official or employee of the City has or will benefit financially or materially from this procurement. Any Contract and/or award arising from this RFP may be terminated by the City if it is determined that gratuities of any kind were either offered to, or received by any of the aforementioned officials or employees from the vendor, the vendor's agent or the vendor's employees.

O. Inspection of Work Performed

During and after the commencement of this project, the City, and its authorized representatives, shall be allowed access to inspect all Contractor materials, documents, work papers, equipment or products, deliverables, or any such other items which pertain to the scope of work for this RFP and contract. This requirement also applies to any subcontractors who may be engaged by the vendor.

P. Collusion

By responding, the vendors implicitly state that the proposal is not made in conjunction with any competing vendor submitting a separate response to this RFP and that it is in all respects fair and without collusion or fraud.

X. CONTRACT PROVISIONS

The contract to be entered into between the City and the successful Respondent shall contain negotiated provisions based on the specific requirements set forth in this RFP and the successful Respondent's treatment thereof as contained in this proposal, as well as general City contract provisions.

The final award of this contract will be subject to the financial institution's execution of such a contract and the contract's approval by the Burlington City Council. Proposals should include an acknowledgment that the standard provisions included in City contracts are comprehended by the Respondent financial institution.

The contract will include:

- A. Time for commencing each of the services accepted.
- B. A provision for financial penalties for failure to adhere to the time commitments without reasonable justification.
- C. A provision stating there will be no assignment of subletting of the work to be performed without the written consent of the Chief Administrative Officer.
- D. A provision specifying that if for any reason a professional assigned to work on a specific bank service proves to be incompatible with the staff at City Hall, the City reserves the right to require the assignment of another person of equal qualifications is assigned.
- E. The contract shall incorporate, as appropriate, all tasks, specifications and services as provided for in the proposals and accepted by the City.
- F. A provision specifying that all monies deposited by the City under the contract will only be used to support financial activities of the City of Burlington.
- G. A provision specifying that the contract may be extended for up to two (2) more annual periods based on current year performance and the continuing financial integrity of the bank being maintained.
- H. The contract shall include all standard contract provisions generally required of contracts with the City.

Termination

The contract to be entered into between City of Burlington and the successful Respondent shall contain the following provisions dealing with termination. If the Contractor fails to fulfill any of the terms of the agreement on time, the City shall have the right to terminate the said agreement indefinitely and award a new contract to another vendor and the Contractor shall be responsible for damages and for additional costs incurred in reletting the contract.

Disclaimer

The City of Burlington is not liable for any costs incurred by vendors in the preparation of proposals or for any work performed prior to the approval of an executed contract.

Notification of Selection

After the proposal has been elected, all Respondents will be notified of the name of the successful bidder.

Upon selection, the City and the successful Respondent will negotiate a contract. The selected proposal in whole or in part as well as content from this RFP may be incorporated into and made part of the final contract. Should negotiations fail to result in agreement within fourteen days of notification of acceptance of a proposal, the City reserves the right to take other action consistent with the best interest of the department.

By issuing this RFP the City is not obligated to award a contract.

Exemption of Records

In submitting a proposal, the Contractor agrees that the City, or its duly appointed and authorized representatives, have access to and the right to examine pertinent books, documents, papers, and records of the Contractor as related to any contract resulting from the RFP until six years after final payment has been made. Further, such provision must be incorporated into any agreements with subcontractors by the prime Contractor.

Accounting System

The Contractor shall maintain an accounting system for purposes of audit and examination of any books, documents, papers and records maintained in support of the contract.

Livable Wage

Bidders are advised that certain City contractors are required to comply with the City of Burlington's livable wage ordinance. The livable wage ordinance is applicable to service contracts with the City of Burlington where the amount of the contract or contracts with the same person or entity exceeds \$15,000 for any twelve-month period. As of June 18, 2012, the livable wage for employees who receive health care benefits is \$13.94 per hour. The livable wage for employees who do not receive health care benefits is \$17.71 per hour.

An employee of a covered contractor must be paid the livable wage during the period of time he or she expends furnishing services funded by the City. Covered employers must agree to the payment of the livable wage as a condition of entering into a covered service contract with the City. A covered employer who violates the livable wage ordinance may be barred from receiving a contract or grant from the City for a period of up to two years and may be subject to other civil enforcement remedies. A copy of the livable wage ordinance is available upon request.

Non-Discrimination

The Respondent shall not discriminate against any qualified employee or applicant for employment because of race, color, national origin, ancestry, age, sex, sexual orientation, religion, and place of birth, or against a qualified individual with a disability. Respondent agrees to comply with all applicable Federal and State statutes, rules and regulations prohibiting discrimination in employment including, but not limited to: Title VII of the Civil Rights Acts of 1964; the Age Discrimination in Employment Act of 1973; the Americans With Disabilities Act; Title 21, Subchapter 6 of the Vermont Statutes Annotated, Fair Employment Practices; and all other applicable administrative orders and executive orders. Respondent shall be responsible for preparing all periodic reports related to these purposes and required by law or regulation.

If a complaint or claim alleging violating by the Respondent of such statutes, rules or regulations is presented to the Vermont Attorney General's Office, the Vermont Human Rights Commission, the Equal Employment Opportunity Commission or any other agency with jurisdiction, the Respondent agrees to cooperate fully in the investigation and disposition of such complaint or claim.

The Respondent shall indemnify, defend and save the City and its authorized agents, officers, representatives and employees harmless from and against any and all actions, penalties, liabilities, claims, demands, damages or losses, including reasonable attorneys' fees resulting from any claims asserting any form of discrimination or harassment as defined by state and/or federal law and by City Policy based on acts by the Respondent, its agents, officers, representatives, employees or contractors.

Indemnification

The Respondent agrees, to the fullest extent permitted by the law, that it shall indemnify and hold harmless the City, its officers, agents and employees from liability for damages to third parties, together with costs, including attorney's fees, incurred in defending such claims by third parties, to the extent such liability is caused by the negligent or intentional acts, errors, or omissions of the Respondent, its agents or employees, committed in the performance of professional services to be provided by the Respondent under this Agreement.

The City is responsible for its own actions. The Respondent is not obligated to indemnify the City or its officers, agents and employees for any liability of the City, its officers, agents and employees attributable to its, or their own, negligent acts, errors or omissions.

In the event the City, its officers, agents or employees are notified of claims asserted against it or them to which this Indemnification clause may apply, City or its officers, agents and employees shall immediately thereafter notify the Respondent in writing that a claim to which the Indemnification Agreement may apply has been filed.

City of Burlington Rights

The City reserves the right to accept or reject any or all proposals received in response to this RFP or to take other action consistent with the best interest of City. The City

reserves the right to negotiate separately with any source to serve the best interest of the City.

EXCEPTIONS TO THIS RFP SHALL BE BY WRITTEN NOTIFICATION ON THE AWARDED PURCHASE ORDER (PO) IN ORDER TO BE BINDING. ALL SUBMITTED BIDS BECOME THE PROPERTY OF THE CITY OF BURLINGTON. AFTER THE AWARDING OF THE CONTRACT TO THE SUCCESSFUL BIDDER, ALL BIDS ARE OPEN FOR PUBLIC VIEWING.