

BOARD OF SARPY COUNTY AND CITIES WASTEWATER AGENCY

**RESOLUTION APPROVING SARPY COUNTY AND CITIES WASTEWATER AGENCY
BANKING SERVICES REQUEST FOR PROPOSAL (RFP)**

WHEREAS, pursuant to the Interlocal Cooperation Act, set out at Neb. Rev. Stat. § 13-801 et seq., (hereinafter the “Act”), Sarpy County and the Cities of Papillion, Bellevue, Springfield, La Vista and Gretna entered into an agreement, (hereinafter the “Agency Formation Agreement”) and formed the interlocal agency called the Sarpy County and Cities Wastewater Agency (hereinafter the “Agency”); and,

WHEREAS, the Agency is a separate body corporate and politic under the Act; and,

WHEREAS, pursuant to Agency Formation Agreement, the powers of the Agency as a body are exercised by the Agency Board; and,

WHEREAS, pursuant to Section V of the Agency Formation Agreement, the Agency Board may, on behalf of the Agency, purchase and lease real property, purchase personal property, contract with and compensate consultants for professional services, hire and pay employees, and otherwise expend Agency funds and borrow money as described therein; and,

WHEREAS, the Agency Board has deemed it necessary and appropriate that the Agency open an account with a qualified financial institution to properly conduct such business; and

WHEREAS, the Agency Board has deemed it appropriate that the Agency open bidding for such banking services to financial institutions qualified as depositories of public funds.

NOW, THEREFORE, BE IT RESOLVED BY THE AGENCY BOARD that the Agency Board shall distribute a request for proposal for banking services to such qualified financial institutions, in substantially the same form as attached hereto.

The above Resolution was approved by a vote of the Sarpy County and Cities Wastewater Agency Board at a public meeting duly held in accordance with applicable law on the 27th day of March 2018.


Sarpy County and Cities Wastewater
Agency Board Chairman

Request for Proposals (RFP)
Banking Services
For the
Sarpy County and Sarpy Cities Wastewater Agency

1. Introduction

In September 2017, Sarpy County and the cities of Bellevue, Gretna, La Vista, Papillion and Springfield approved an Interlocal Agreement to create the Sarpy County and Sarpy Cities Wastewater Agency (“Agency”). The Agency’s task is to build the Unified Southern Sarpy Wastewater System, a sanitary sewer system to serve the southern portion of Sarpy County.

The Agency is seeking proposals from qualified financial institutions interested in providing comprehensive banking services. The Agency intends to select one financial institution to deliver the services described herein. A proposer must be a qualified depository of public funds with the ability to perform its obligation under this proposal in compliance with all applicable federal and state laws, regulations, statutes and policies. The proposer must also be a member of the Federal Reserve System.

The Agency encourages proposers to submit the most competitive proposal possible, offering the highest quality of service and enhancements to improve our current management of cash flow at a competitive price. Due to the Agency being relatively new, there is not much information based on current services. It is the Agency’s desire to maximize the use of automated and electronic technology services to improve our banking, cash management, custodial and customer service capabilities without sacrificing internal controls. Of equal consideration is a service-oriented and responsive relationship with the selected bank.

Please provide options that may create efficiencies, and/or take advantage of new, applicable technologies. Any future investment activities of the Agency will, in no way, be affected by the appointment of a banking institution to handle the Agency’s regular depository and custodial accounts. All investment activities will be handled at the direction of the Agency Treasurer.

The Agency will endeavor to administer the proposal process in accordance with the terms and dates outlined in this RFP, however, the Agency reserves the right to modify the activities, time line and any other aspect of the process at any time as deemed necessary by staff working on behalf of the Agency. The Agency reserves the right to reject any and all proposals. By requesting proposals, the Agency is in no way obligated to award a contract or pay the expenses of proposing financial institutions in connection with the preparation or submission of a proposal. The awarding of any contract shall be contingent on the availability of funds and required Agency Board approval. The decision to award any contract to a particular financial institution will be based on a variety of criteria set forth herein; no single one of which will determine the final award decision. Any contract awarded shall be non-exclusive.

The Agency truly appreciates the effort all the proposers and their respective staffs will put forth in responding to the Banking Services Request for Proposal for the Agency.

2. Proposal Procedures

a. Schedule of Proposal

Event	Date
Issue RFP	
Proposals Due	
Proposer's Presentation/Interview	
Selection Decision	
Contract Signed	

b. Questions

In lieu of a pre-proposal conference, the Agency will accept questions regarding this RFP until <INSERT DATE>. All questions should only be directed to Beth Garber, Sarpy County, via e-mail at bgarber@sarpy.com. Staff working on behalf of the Agency will prepare responses to the questions and email them to those included on the vendor list. Potential proposers should include contact information with their question(s) in the event the Agency needs to obtain additional information or clarification in order to respond to the question(s).

c. Preparation and Submission of Proposal

Each proposal shall be prepared simply and economically avoiding the use of elaborate promotional materials beyond those sufficient to provide a complete, accurate and reliable presentation.

Proposals shall be electronically submitted to:

Beth Garber
Sarpy County Purchasing
1210 Golden Gate Drive
Papillion, NE 68046

bgarber@sarpy.com
(402) 593-4476

All proposals must be delivered to the above email address on or before <INSERT DATE>, at 12:00 pm (CST). Proposals received after the above date and time may not be considered.

d. Proposer's Presentation/Interview

After the Agency has reviewed the proposals received, at the discretion of the Agency, financial institutions submitting proposals may be requested to make oral presentations as part of the evaluation process.

e. Effective Period of Proposals

All proposals must state the period for which the proposal shall remain in effect. Such period shall not be less than 120 days from the proposal date.

f. Right of Rejection

Notwithstanding any other provisions of this RFP, the Agency reserves the right to award this contract to the financial institution that best meets the requirements of the RFP, and not necessarily, to the lowest bidder. Further, the Agency reserves the right to reject any or all proposals prior to execution of the contract, to waive any non-material irregularities or information in any proposal and to accept or reject any items or combination of items, with no penalty to the Agency.

g. Contract Negotiations

After a review of the proposals, and possible oral presentations, the Agency intends to enter into contract negotiations with the selected financial institution. These negotiations could include all aspects of services and fees. If a contract is not finalized in a reasonable period of time, the Agency will open negotiations with another firm.

h. Award of Contract

The proposer to whom a contract is awarded shall be required to enter into a written contract with the Agency in a form approved by legal counsel for the Agency. This RFP and the proposal, or any part thereof, may be incorporated into and made a part of the final contract. The Agency reserves the right to negotiate the terms and conditions of the contract with the selected proposer.

i. Contract Term

It is the intent of the Agency to award a contract for an initial five (5) year period, beginning **<INSERT DATE>**, with the option to renew it for additional five (5) year periods at the sole discretion of the Agency. The Agency desires fixed pricing for the five-year contract period. Prices in subsequent years shall be negotiated based on satisfactory customer service.

j. Evaluation and Award Criteria

This RFP seeks a financial institution to provide comprehensive banking services to the Agency. Selection will be made from a short list of proposers deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors listed below:

1. Understanding of the needs and operational requirements of the Agency.
2. The experience, resources, and qualifications of the financial institution and individuals assigned to this account.
3. Relevant experience managing similar account relationships with public institutions and agency clients.
4. Financial institution location (i.e. availability for personal service and consultation).
5. Scope of services offered including degree of automation.
6. Financial strength of proposing institution.

7. Adequacy of financial controls and protection against loss.
8. Quality and scope of conversion plan.
9. The value of any new product or service suggestions or other new ideas and enhancements.
10. Quality and conciseness of proposals.
11. Proposed fees and compensation. (Although fees and compensation will be an important factor in the evaluation of proposals, the Agency is not required to choose the lowest bidder).
12. Client references.
13. Such other information as may be secured having a bearing on the decision.

14. Information Requested

a. Scope of Services

Describe the financial institution's ability to provide the general banking services listed below:

1. Maintain a branch office in Sarpy County.
2. Maintain minimum capitalization requirements of \$500 million to insure the safety of funds.
3. Establish demand deposit accounts as necessary to meet the banking requirements of the Agency. At present, it is unknown how many separate accounts will be used including any zero balance accounts (ZBA), deposit accounts, checking accounts, flexible spending accounts, etc.
4. Provide the ability for an overnight investment service (sweep) for excess cash balances in the demand deposit accounts, after minimum concentration account balance requirements are met. The concentration account will fund disbursements from these accounts automatically on a daily basis.
5. Ability to process disbursement checks through payables and payroll including direct deposit payroll checks.
6. Ability to handle monthly deposits, including, but not limited to: wire transfer, ACH or EFT and deposits from an armored carrier.
7. Ability to disburse funds via repetitive wire transfer upon on-line request of an authorized person.
8. Ability to accept and send ACH transactions and provide on-line notification of ACH deposits within 24-hours.
9. Ability to process on-line payments. Can your system accommodate internet and telephone transactions that are processed on-line? Describe your capabilities and outline the security measures in place for the protection of sensitive information.

10. Ability to provide stop payment services. Can stop payments be placed on-line? What is the deadline for same day action? How long will a stop payment remain in effect? Do you have different duration options, such as 6 months, 1 year, or 2 years, without the need to implement extensions? Can stop payments be automatically renewed? If so, for how long and is there an additional charge?
11. In the case of stale dated checks, will the bank agree to not honor any checks that have been outstanding (based on the dated date of the check) for six months or more? Is there a cost to the Agency for reviewing and returning stale dated checks?
12. How does the bank compensate the Agency for checks that are cashed after a stop payment is placed or if a stale dated check is cashed? How many days does it take the bank to reimburse the Agency?
13. Does the bank provide armored carrier collection of twice-weekly vault deposits from Agency at a location defined by the Agency? Will the bank interface directly with, and assume full responsibility for, any and all third party service providers, such as armored carriers and couriers?
14. Ability to provide automated balance reporting services for all the Agency accounts. Available information should include: closing ledger, closing collected, opening ledger, opening collected, float, previous day debit and credit detail (including bankcard deposits, and ZBA), and ACH credit and debit detail. Automated balance reporting should be available at the Agency Treasurer for multiple authorized users with multiple levels of approval authority.
15. Please provide a detailed description of the entire merchant card process within your institution. Is your program housed through a third party vendor? If so, please explain. Provide a detailed rate and fee structure with a breakdown of all fees, including bank and association charges.
16. Does the bank provide electronic payment services?
17. Does the bank have the ability to collateralize all collected balances, in excess of balances insured by the FDIC, pursuant to any and all local, state, and federal codes, ordinances, statutes, etc.
18. Ability to provide monthly activity statements and reports for all accounts. The statement cutoff should be the last day of the month. Statements must be sent by no later than the 6th business day of the following month.
19. Provide monthly imaging of disbursement checks (front and back) and statements, to meet Agency's records retention needs.
20. Provide an electronic file in the Agency's specified format to include the following fields (to be used for automatic check reconciliation with our current financial software):
 - a. Cleared Date
 - b. Check Number
 - c. Amount

d. Type of Transaction (ie, Check or EFT)

21. Provide safekeeping services. The Agency may desire the financial institution to take custody of securities owned by the Agency and accept complete responsibility for their safekeeping from the moment of delivery to the financial institution until the securities' safe return and delivery to the Agency upon expiration or termination of this Agreement.
22. Ability to provide positive-pay for checks and ACH debit. Briefly describe the process involved with positive-pay and the costs associated with it.
23. Please provide how the bank deals with check fraud.
24. Bank must provide one person as the single point of contact between the Agency and the bank.

b. Qualifications and Experience

1. Describe the organization, date founded, ownership, and other business affiliations (please provide number and location of affiliated offices in Sarpy County).
2. Provide the address of the office location that will service the Agency's account.
3. Describe the experience of the financial institution in providing similar services for other public clients.
4. Include copies of the most recent audited financial statement with the proposal.
5. Provide documentation that your financial institution has been evaluated by an independent bank rating agency and been found "Outstanding" or "Satisfactory" for the most recent four consecutive quarters.
6. Provide documentation that your financial institution is in compliance and good standing with the Community Reinvestment Act (CRA).
7. Provide contact information of other public clients.

c. Personnel

1. Provide biographical information on financial institution officers that will be directly involved in the management of the Agency account, to include how long they have been with your financial establishment; who the primary contact will be; and what, if any, experience these officers have in working with public (municipal government) clients.
2. Provide an organization chart for the personnel who will be associated with the Agency account, including the roles of each person, and illustrating the relationship among the personnel.

d. Banking Services

1. Describe the financial institution's ability to provide the banking services described herein and to what extent, if any, the service is automated.

2. Describe how interest will be calculated and credited on all accounts. Be specific.
3. Provide return history for overnight repurchase agreements or other appropriate sweep facility for the latest 12 month period available.
4. What is the ledger cutoff time for deposits? What time would the financial institution propose to schedule the twice-weekly armored car collection to ensure that deposits meet this deadline?
5. Provide a copy of the availability schedule that would apply to deposits into the Agency accounts.
6. Provide a list of the bank's holidays.
7. What fees are charged for "cashier's checks" and "wires"?
8. Describe how the financial institution will collateralize the Agency deposits. What types of securities are used as collateral? Who will be the Custodian of collateral (ie, Federal Reserve)?
9. Describe Payment Card Industry (PCI) data security standard compliance and liability (provide documentation).

e. Control

1. Describe the EDP and/or manual system used to provide banking services along with backup and recovery capabilities.
2. Provide a detailed description of the controls in place to insure the integrity of the funds transfer system.
3. Describe the types of insurance and bonding carried (see below for Insurance and Bond Requirements).
4. Include a copy of the Statement of Auditing Standards (SAS) 70 covering operational controls.

f. Implementation

1. Describe a conversion plan to transition the Agency's use of this service to your financial institution, if applicable.
2. What lead-time do you expect will be necessary before the conversion begins?
3. Indicate your plans for educating and training the Agency representatives in the use of your systems.

g. Reporting

1. Describe the frequency and format of reports that you would provide to the Agency.

2. Include sample reports and records, including an account analysis statement (with TMA codes), credit card processing statement, monthly bank statement and any other reports that we could expect to receive.
3. Is the financial institution willing/able to develop customized reports? If so, please provide specific pricing information.

h. Pricing and Account Analysis

1. Provide a complete fee schedule for all of the services described in your proposal. The Agency does not have an estimated monthly transaction list. Fees related to all services described in the proposal must be listed, even if the service is not show on the schedule. Also, include any one-time or set-up charges, research fees, minimum fees, and all other fees that will be charged. Prices must be guaranteed for the initial, five-year, term of the contract.

Fees may include, but are not limited to:

- a. Account Maintenance (Demand, ZBA, Controlled Disbursement)
- b. Wire Transfer (Incoming, Outgoing, Outgoing-Repetitive)
- c. Intra-Bank Transfers
- d. Deposit Ticket (Branch and Operation's Center)
- e. Item Deposit (Check and ACH)
- f. Cash Deposit
- g. Item Paid (Paper, ACH)
- h. Direct Deposit of Payroll
- i. Stop Payment (Manual and On-Line)
- j. FDIC Insurance Charge (or percentage)
- k. Return Item Processing and Resubmitting Item
- l. Uncollected Funds Charges
- m. Balance Reporting Fees (fixed and per item)
- n. Set Up Charges (if any)
- o. Bankcard Processing (list all related charges)
- p. Check Retention
- q. Twice-weekly Armored Carrier Service
- r. Sweep Fees
- s. Internet Payments (IP) via Internet and Phone
- t. Electronic Payments (EP)
- u. Positive Pay
- v. Cashier's checks

List any additional services for which the proposer intends to charge, along with the price per item (use additional page(s), if necessary). Any costs associated with the requested services not listed within the submitted proposal will be assumed to be free of charge.

2. Does the Agency have the option of compensating your financial institution through either direct fees or compensating balances? Is the price the same for either option? If not, what is the difference? If on a fee basis, can excess balances be used to partially offset activity charges? Will earnings credit on collected balances in excess of those required to pay charges incurred in any month be carried forward to offset future bank charges? Provide the bank's earnings credit rate (ECR) for compensating balance method of payment.

3. If there is a discrepancy between the Agency and the bank, please describe the procedures used to correct the difference and to ensure an adjustment is made. What time period does the Agency have to report the discrepancy?
4. Please provide a sample analysis statement for the Agency account. How soon after month-end is the analysis statement delivered? Does the bank offer electronic analysis and bank statements?
5. How is your earnings credit determined, adjusted, and applied? Please include in your explanation the impact of your reserve requirement, your formula for converting service charges to balance requirements, and a listing of your earnings credits and reserve requirements for the most recent 12- month period.
6. Describe the financial institution's policies concerning daylight overdrafts and what, if any, impact these policies may have on the management of the Agency's accounts.

i. References

1. Provide five references of public agencies, including the length of time you have provided services, client name, contact personnel, address, emails and phone number (local governments and public agency references, if possible), which are currently using the services for which you are proposing.
2. Provide a list of clients where similar services were provided who have terminated services in the last three years.

j. Sample Contract

Bank is to attach a proposed contract for services described herein.

15. Contract Requirements

a. Bond Requirements

CONTRACTOR'S BOND: Contractor shall provide proof of a bankers blanket bond on a form that is at least as broad as the Financial Institution Bond, Standard Form No. 24 with limits of at least \$1,000,000 any one loss and \$2,000,000 aggregate. Coverage shall include, but not be limited to:

Coverage A – Fidelity
Coverage B – On Premises Coverage
C – In Transit
Coverage D – Forgery and Alteration

The bond shall be extended to apply to computer system fraud and fraudulent transfer instructions.

b. Insurance Requirements

The bank shall not begin work under this Agreement until all insurance certificates have been filed with the Agency.

The following insurance coverages shall be kept in force during the life of the Agreement and shall be primary with respect to any insurance or self-insurance programs covering the Agency, its board, officials, agents, representatives and employees. These insurance coverages shall specifically state, or be endorsed to state, that thirty (30) days notice shall be given to the County in the event of cancellation of, or material change in, any of the coverages.

Worker's Compensation and Employers Liability Insurance

The minimal acceptable limits shall be the statutory limits as required by the State of Nebraska for Coverage A, Workers' Compensation and \$500,000 each accident for Coverage B, Employers Liability.

Commercial General Liability Insurance

Coverage should include broad form coverage written on a commercial general liability form and written on an occurrence basis. The coverage must protect against claims for damages resulting from bodily injury, including death, personal injury and property damage.

The minimum acceptable limits of liability shall be \$1,000,000 each occurrence. If the coverage contains a general aggregate, such limit shall not be less than \$2,000,000. The products/completed operations limit shall not be less than \$2,000,000. The County is to be named as an additional insured on the insurance coverage required under this section.

Automobile Liability Insurance

Coverage shall be against claims for damages resulting from bodily injury, including death and property damage, which may arise from the operations of any owned, hired or non-owned automobile. The minimum acceptable limit of liability shall be \$1,000,000 Combined Single Limit for each accident. The County is to be named as an additional insured on the insurance coverage required under this section.

Cyber Liability Insurance

Coverage against the bank's legal obligation to pay damages related to a cyber-security event. Coverage would include Third-party Liability coverage as well as coverage for Privacy Response expenses and Regulatory Proceedings and Penalties expense. The minimum accepted liability shall be \$1,000,000 each occurrence.

Certificate of Insurance

The bank shall furnish the Agency with a certificate(s) of insurance evidencing the coverage required in this section. If the certificate(s) is shown to expire prior to completion of all the terms of this Agreement, the bank shall furnish a certificate(s) of insurance evidencing renewal of its coverage to the Agency.

The bank shall require each and every Subcontractor performing work under this Agreement to maintain the same coverages required of the bank in this Section, and upon the request of the Agency, shall furnish the Agency with a certificate(s) of insurance evidencing the Subcontractor's insurance coverages required in this section.

Insurance Company

All insurance coverages herein required of the bank shall be written by an insurance company or companies transacting business as an admitted insurer in the State of Nebraska or under the Nebraska Surplus Lines Insurance Act. All insurance companies must possess a minimum A.M. Best Insurance Company rating of A-. Upon request by the Agency, the bank shall furnish evidence that the insurance company or companies being used by the bank meet the minimum requirements listed in this section.

Upon request by the Agency, the bank shall furnish the Agency with complete and accurate copies of the insurance policies required within this section. If at anytime during the life of this Contract, the bank's insurance coverages and limits do not meet or exceed the minimum insurance requirements presented in this section, the bank is required to notify the Agency of any deviations from the minimum requirements presented in this section.

c. Indemnification

The bank shall indemnify and save harmless the Agency, its officers, employees and agents from all loss, claims, suits or actions of every kind and character made upon or brought against the Agency, its officers, employees, or agents, for or sustained by any party or parties as a result of any act, error, omission or negligence of said bank or its servants, agents, and subcontractors; and also from all claims of damage in fulfilling this Contract.

d. Independent Contractor

The Bank shall in the performance of the Contract at all times be an independent contractor and not an employee or agent of the Agency. The bank, its officers, employees and agents shall at no time represent the bank to be other than an independent contractor or represent themselves to be other than employees of the bank.

e. Residency Verification

The bank agrees to comply with the residency verification requirements of Neb. Rev. Stat. §4-108 through §4-114. The bank is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

f. Non-Discrimination Clause

Pursuant to Neb. Rev. Stat. §73-102, bank declares, promises, and warrants it has and will continue to comply fully with Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C.A. §1985, et seq.), and the Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §48-1101, et

seq., in that there shall be no discrimination against any employee who is employed in the performance of this Contract, or against any applicant for such employment, because of age, color, national origin, race, religion, creed, disability or sex.

g. Conflict of Interest Clause

Pursuant to Neb Rev. Stat. §23-3113, the parties hereto declare and affirm that no officer, member, or employee of the Agency, and no member of its governing body, and no other public official of the Agency who exercises any functions or responsibilities in the review or approval of the undertaking described in this Contract, or the performing of services pursuant to this Contract, shall participate in any decision relating to this Contract which affects his or her personal interest, or any corporation, partnership, or association in which he or she is directly or indirectly interested; nor shall any employee of the Agency, nor any member of its governing body, have any interest, direct or indirect, in this Contract or the proceeds thereof.