

CITY OF VON ORMY, TEXAS

REQUEST FOR PROPOSAL FOR BANKING SERVICES

I. INTRODUCTION

The City of Von Ormy, Texas (the "City") is requesting proposals for a banking services contract to be awarded January 21, 2009 with service to begin January 22, 2009 and extend through December 31, 2012. Through this contract the City intends to minimize banking costs, improve operational efficiency, and maximize investment capabilities. This Request for Proposal (RFP) represents the cash management goals, specifies all banks' required qualifications, the banking services required, the estimated activity volumes on all accounts, the method and terms of compensation, submission instructions and the contract award provisions.

II. PROPOSAL INSTRUCTIONS AND QUALIFICATIONS

A. MINIMUM QUALIFICATIONS

To assure a close working relationship, to facilitate available services, and to support local business, the entity may give priority to those banks with full service capabilities within the City limits and/or extra territorial jurisdiction ("ETJ"). Any required statement regarding equal opportunity and affirmative action should be included if required/desired. The proposal submitted will become part of the final contract.

B. PROPOSAL SUBMISSION INSTRUCTIONS

1. Proposal Format

In order to fully and equitably evaluate each bank's ability to meet the banking services needs of the City, a standard reply format is required. Each proposal must include a response to each item in the RFP in the order given. Only proposals submitted in the prescribed format and using the exhibit forms provided will be evaluated for contract award.

2. Submission Requirements

Each respondent should submit eight (8) printed copies of their proposal, three hole punched, on standard letter sized paper. Any marketing material, such as brochures, should be enclosed in a three hole punched container. The proposal should have a cover letter with the name of the respondent, and the name, title, email, and phone number for a responsible party who may be contacted regarding the bid.

3. RFP Questions

Questions regarding this RFP or the service requested will be accepted in written form at the address below on or before 5:00 pm Friday, January 9, 2009. Responses to all material questions submitted will be communicated to each prospective bidder.

Sally Martinez
Chief of Staff

Office of the Mayor
City of Von Ormy
Ph: 210-622-0323
Email: sallyannne@gmail.com
PO Box 10
Von Ormy, TX 78073

4. Request for Proposal Amendments

Modifications or additions may be made as a result of questions submitted. Written notification of any such change will be made in writing to all known bidders.

5. Selection Criteria

Evaluation of proposals will be made on the basis of the following objectives:

Time deposit interest rates:	20%
Cost of Service:	20%
Service availability:	20%
Safety and creditworthiness of bank	20%
City Archives Safekeeping Services	10%
Other Amenities	10%

6. Award of Bid and Service Initiation

RFP issued: December 18, 2008
Questions due: 5:00 p.m. January 9, 2009
RFP due: 5:00 p.m. January 16, 2009
RFP Award date: January 21, 2008 (The contract is to be awarded by City Council at its meeting January 21, 2009).

III. REQUIRED FINANCIAL INSTITUTION INFORMATION

All banks must provide, as part of the proposal:

- audited financial statements for the most recent fiscal year,
- a copy of the current call report, and
- a statement regarding any recent or foreseen merger or acquisition.

IV. REQUIRED BANKING SERVICES

This section lists all the services to be provided by the bank under this Agreement. Bank should use this list to provide the detailed price list for each service.

A. Consolidated Account Structure

The City has no current accounts or account structure. But once established, the bank is to provide a master consolidation account and zero balance (accounts from which daily balance and detail reporting is available.)

B. Wire Transfer Services

A standard wire transfer agreement will be executed with the bank. This proposal should include a copy of your standard transfer procedures and wire transfer agreement.

C. Automated Daily Balance Reporting

The City requires an automated PC-based reporting system for access to the closing ledger and available balances. Stipulate the time at which the access is available and describe the system to be used. Reporting should include balance and detail reporting. Samples of the reports are to be included in the proposal.

D. Sweep Account Provisions

If the City chooses, the bank will be responsible for automatically sweeping the balances in all accounts daily to an investment option (money market fund, repo, etc.). Describe the sweep options and, if a money market fund is used, provide a prospectus. The accounts will be swept to the compensating balance.

E. Safekeeping of City Securities

All certificates of deposit bought by the City will be bought on a competitive basis. The City has no obligation to invest its funds with or through the bank. The City may utilize the bank to safe keep its securities. All correspondent and safekeeping arrangements should be stipulated in the proposal.

F. Standard Disbursing Services

Standard disbursing services for all accounts are required to include the payment of all checks upon presentation.

G. Standard Deposit Services

The bank must guarantee immediate credit on all incoming wire transfers and U. S. Treasury checks upon receipt and all other checks based on the bank's published availability schedule. The Bank should specify in their proposal their deposit requirements and commercial and retail deposit locations, including night deposit services and procedures.

H. Reporting and Account Analysis

Monthly account analysis reports must be provided by the bank on a timely basis for each account and on a total account basis. A sample account analysis format must be provided as part of the proposal. Samples of monthly statements should also be provided. The monthly statements are to be received within ten business days of the next month.

I. Account Executive

An account executive must be assigned to the account to coordinate the account services and expedite the solution of any problem. A trained and competent backup for the account executive, familiar with the account, should be assigned in the proposal. Stipulate the name and a brief biography of the account executive to be assigned to the City's account.

J. Direct Deposit

Describe the requirements and deadlines for computer tap for ACH transactions. The proposal should indicate when funds will be available in participating banks.

K. Daylight Overdraft Provisions

Every effort will be made to eliminate daylight overdraft situations on the account. However, in case this situation does arise, the proposal should include any and all bank policies regarding daylight overdrafts charges or handling procedures.

L. Stop Payments

The proposal must include a statement on the proposed stop payment process on an automated or manual basis.

M. Collateralization of Deposits

The bank must agree to obtain and maintain acceptable collateral sufficient to cover all anticipated time and demand deposits, above the FDIC insured limit. Securities used to pledge against time and demand deposits must be held in an independent third-party safekeeping institution outside the bank's holding company. The bank will execute a tri-party safekeeping agreement with the City and the Safekeeping bank for safekeeping of these securities. Collateral will be maintained at a minimum of 102% and marked to market at least once a month. Control will be shared jointly between the bank and the entity. Substitution will be approved by the City and not unduly withheld. Substitutions of collateral will be requested in writing and new collateral will be received before the existing collateral is released. The proposal will name the safekeeping bank for collateral.

N. Additional Services

If new services become available and are provided during the period of this contract, they will be charged at the bank's then published rate.

V. OTHER SERVICES

The City is interested in obtaining service and cost information on additional services for possible use during the contract period. These services are not required but will be evaluated in terms of availability, feasible, service levels, service providers and cost. The City will make its determination after receipt of proposals as to whether a service will be used. If the service is accepted later in the contract period the services and charges stipulated in the proposal will be applied.

A. Remote Deposit Services

The City may choose to utilize remote deposit services for certain revenue collections. Describe the service including the cost of equipment, fee schedule, and a full description of the service.

B. City Archives Safekeeping Services

The City may choose to utilize the Bank's safe to store the City Archives, which include documents of historic and legal significance, electronic backup of computer files and maps. Describe the service including the availability of space, access policies and a full description of the service.

C. Conference Room Services

As the City has no facilities, the City may choose to utilize the Bank's facilities for private and public meetings. Describe the availability of conference/meeting rooms including the availability of space, capacity, available times, access policies and a full description of the service.

VI. BANK COMPENSATION

Any net settlement on compensating balances will be made annually. If fees are chosen as the payment methodology, fees will be paid monthly after receipt of the account analysis.

VII. PROXIMITY OF BANK

List the address of the nearest full service bank location to the City of Von Ormy. Include a statement regarding any future plans to offer banking services within the city limits of the City of Von Ormy, including full or limited service bank locations, ATM service, or any other service.

CITY OF VON ORMY, TEXAS

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