



# PORT SAN LUIS HARBOR DISTRICT

REQUEST FOR PROPOSALS:

## BANKING SERVICES



October 4, 2019

**Response Due: November 4, 2019**

3950 Avila Beach Dr./ P.O. Box 249 Avila Beach, CA 93424

[www.portsanluis.com](http://www.portsanluis.com) Telephone: 805-595-5432

# Banking Services RFP

RESPONSE DUE: NOVEMBER 4, 2019

The Port San Luis Harbor District (District) seeks proposals from qualified banks for Banking Services for the District.

The District's primary banking relationship is currently maintained at Wells Fargo Bank in San Luis Obispo.

Responses must conform to the requirements of this Request for Proposal (RFP). The District reserves the right to waive any irregularity in any proposal or to reject any proposal, which does not comply with the RFP. Selection of the proposer will be made solely by the District on criteria determined by the District.

## 1. PROPOSAL SCHEDULE

The schedule is as follows:

Proposal Issued.....	Friday, October 4, 2019
Questions due .....	Monday, October 18, 2019 by 4.30 p.m.
Proposals Due.....	Monday, November 4, 2019 by 4.30 p.m.
Interviews, if required .....	Week of December 2, 2019
Projected District Selection .....	Monday, December 17, 2019
Full Implementation.....	No later than May 31, 2020

## 2. PROCEDURE FOR SUBMITTING PROPOSALS

### A. Time, Place and Format

Proposals must be received at the District office no later than 4:30 p.m. on the date indicated in Section 1. Proposals received in the mail after 4:30 p.m. on the date indicated in Section 1, regardless of the date of their postmark, will be rejected.

Proposals must:

- not be folded
- not be bound with any fabric, plastic, glue, staple, folder or rubber bands
- tabbing is required
- show page numbers for all pages in the proposal
- include four (4) copies punched for a standard 3-ring binder (place the copies in binder clips)

- be on 8-1/2"x11", 20-24 lb. white paper
- be submitted in one or more envelopes, each of which clearly:
  - ✓ states "Banking Services RFP"
  - ✓ identifies the proposer
  - ✓ states the number of the envelope and the total number of envelopes submitted by the proposer
- the envelope must be addressed as follows:

Port San Luis Harbor District  
Linda Hendy, Accountant  
3950 Avila Beach Drive  
PO Box 249  
Avila Beach, CA 93424

If hand-delivered, address as above and deliver to the District office.

Proposals may also be sent electronically, in full, by the due date to Linda Hendy at [Lindah@portsanluis.com](mailto:Lindah@portsanluis.com).

Proposals must address the requirements of the RFP in the exact order set forth in this Section. They should be as concise as possible and must not contain excessive promotional, advertising or display material.

B. Opening of Responses

All proposals will be opened shortly after the due date/time and considered within according to the timeline.

C. Questions Regarding this RFP

The point of contact regarding this RFP is Linda Hendy, Accountant for the District. Individuals or firms interested in submitting a proposal are asked not to contact other members of the Port San Luis Harbor District staff or Board members in connection with the RFP. Any questions concerning this RFP must be submitted in writing via email and entitled "Questions." All questions must be received by October 18, 2019 and must be in writing. Please email the questions to Linda Hendy at [Lindah@Portsanluis.com](mailto:Lindah@Portsanluis.com).

The District will make every effort to administer the proposal process in accordance with the terms and dates discussed in this RFP. However, we reserve the right to modify the proposal process and dates as deemed necessary.

### 3. GENERAL TERMS AND CONDITIONS

- A. The bank must be a Federal or State of California chartered banking institution with full-service branch banking facilities located within San Luis Obispo or San Luis Obispo County, or with courier ability. Additionally, the bank must have a government services division that

provides services to local governments.

- B. The bank must be a qualified depository for public funds pursuant to California Government Code Section 53648.
- C. The bank selected to perform banking services shall maintain a capital structure equal to or greater than the average of all moneys the District has with the bank during the term of the agreement pursuant to California Government Code Section 53638.
- D. The bank will collateralize the District's deposits pursuant to all applicable sections of the California Government Code. The bank must also enter into a specific collateralization agreement with the District.
- E. The bank shall be a full-service bank whose performance has been reliable and whose references are outstanding.
- F. The bank will immediately notify the District should the bank fail to meet the collateral requirements set forth in the California Government Code Section 53652 et. al. or in the separate collateral agreement between the bank and the District.
- G. Banks may withdraw their proposals, without prejudice, prior to the date and time specified for proposal submission, by sending a written request to Linda Hendy. No proposal received after the closing date will be considered.
- H. The successful bank will not assign, transfer, convey, or otherwise dispose of the contract, or right, title of interest, or power to execute such a contract to any person, any other bank, firm, or corporation without previous consent in writing of the District.
- I. The contract will provide that the District reserves the right to terminate the contract at any time upon sixty (60) days prior written notice of the District's intent to terminate the contract. Causes for termination of the contract may include, but are not limited to any one of the following: failure to promptly and faithfully provide the services required in this RFP; violation of any law governing any municipal depository; failure to cooperate upon receiving any reasonable request for information or service; and improper actions of the institutions officers or employees which, in the opinion of the District, would adversely affect the District's interest or endanger the safety or liquidity of municipal funds.
- J. The initial term of the agreement will be for three (3) years. Upon expiration of the initial term, the District and bank may mutually agree to extend the agreement for an additional three (3) year term under the same terms and conditions. Pricing during the option periods will be negotiated between the District and the bank.

## 4. CURRENT BANKING SERVICES

The following is a list of current banking services:

### A. Description of Bank Accounts

The District currently maintains the following bank accounts. These are listed below with a brief explanation of each account:

#### **Business Checking the District's main account:**

Wire Transfer Services Incoming/Outgoing, Automated Clearing House (ACH) System, Online Banking Services with a minimum service to include daily balance reporting, both summary and detail, execution of transactions including wire transfers, ACH transactions and stop payment orders, fraud protection services.

Monthly statements must be received by the 10<sup>th</sup> day of the following month.

#### **Business Checking the District's Payroll account:**

The District currently utilizes this account for payroll processing by ADH and direct depositing for employees. The District also pays health premiums, state and federal taxes, and makes deferred compensation contributions through electronic funds transfers.

#### **Proposed new Checking account:**

The District currently processes credit card payments for customers through a POS terminal located at the District office, online RV reservations through online gateway processor and paid parking receipts through third party vendor.

The District would like to open a third account for all credit card processing with the availability to transfer funds to LAIF, Business Checking or Payroll accounts.

### B. Cash Management Overview

The District currently reconciles the bank account manually.

### C. Other

Other services include, but are not limited to, on-line stop payments, on-line Federal and State tax payments, incoming and outgoing wires, and on-line account inquiry and information services. All checks returned due to insufficient funds will be automatically redeposited a second time.

## 5. DATA TO BE SUBMITTED WITH PROPOSALS

The content and sequence of the information contained in each copy of the proposal shall be as tabbed as follows:

A. Letter of Transmittal

Include your Bank's understanding of the work to be performed. In addition, state why your Bank believes it to be the best qualified to perform the services requested.

B. Summary Sheet

This section of the proposal must include a fully completed copy of the Summary Sheet (Appendix B) included with this RFP.

Provide the name, title, experience and qualifications of the personnel who will be assigned to the project.

C. LAIF

The Bank must have a relationship with the State Treasurer as an approved depository for Local District Investment Fund (LAIF) transactions or provide a process for transferring funds to/from LAIF that is equivalent to that of an approved depository.

D. Bank Rating

Provide ratings for the bank and/or bank holding company from one of the following agencies: Standard & Poor's, Moody's. If the proposer is not rated by one of these rating organizations, provide other evidence of the institution's credit quality.

E. Conceptual Plan

The District has not performed a detailed analysis of available banking services for several years. It is the intent, through this RFP process, to upgrade the banking services currently utilized.

Provide a conceptual plan for services to the District that you believe is appropriate for the District. Indicate features, skills and/or services, which distinguish your Bank and make it the better choice for the District currently and for the future.

F. Implementation Plan:

Please describe the plan the bank would coordinate to ensure a smooth, error-free transition from the current provider. Include the following:

- Detail all costs associated with the conversion of all of the proposed services.
- Describe any on-site training to District personnel for the operation and use of the bank's services and automated systems for all areas of service. How is training structured?
- Detail all costs and the responsible party. Discuss any conversion allowance. Include what supplies the bank will provide at no cost to the District, such as deposit slips, endorsement stamps, cash vault supplies and other items. The District currently purchases blank check stock for its laser-printed checks.
- Describe in detail how the bank will handle problem resolution, customer service, day-to-day contact, and ongoing maintenance after the conversion is completed.

G. List of Services

Proposers include a list of comprehensive services provided by your bank. Please include current services we are requiring and considering in the future as well as other services offered not contemplated in this RFP. Please also include potential investment services offered.

H. Other Services

The bank may be required to provide other standard banking services not specifically referenced in this RFP. Based on the information provided in the RFP and your Bank's knowledge of the public sector, please describe any services or technological enhancements, not previously mentioned, that should be considered for further improving the effectiveness of the District's treasury management operations.

I. References

List similar public agencies for which your Bank has provided services in the last five years and when performed. List names of organizations, and names and telephone numbers of persons who can be contacted with regard to the services you have provided.

J. Certification of Proposals

Return a copy of the entire completed certification properly executed as provided for in Appendix A.

K. Proposer's Insurance

The selected proposer must provide and maintain in force at all times during the term of the services contemplated herein insurance for Workers' Compensation, Commercial General Liability, and Errors and Omissions Liability or Professional Liability in amounts consistent with the services provided and as determined jointly by the District and the Bank. Such policies should be issued by companies admitted in the State of California. The proposal shall include the amounts of insurance by type of coverage and the deductible or self-insured level for each type of coverage.

L. Compensation

Attached (Appendix C) is the typical monthly volume for the current accounts maintained by the District. The proposer is required to submit a dollar cost proposal using the volume data contained in this RFP. It is expected that the proposer will provide a line item unit and total dollar cost for each of the items associated with their proposal. The proposer must also include any other costs it believes the District would incur for the required level of service, regardless of whether it is on Appendix C or not. Additionally, a total monthly cost, based on the services in the proposal shall be provided.

It is expected that this will be a long-term relationship and services offered by the bank and the District's needs will change over time. As a result, the dollar cost proposal shall include a statement regarding the pricing of future services.

- i. Cost of services, based on the volume data included in this RFP Appendix C. The Bank must indicate the monthly (both unit cost and total cost) for each item. The Bank must state the total monthly cost for all items, excluding the new services expected to be implemented with the selected Bank. For the new services the Bank must state the unit cost for each item, the monthly cost if it can be determined by the existing volume data, and any one-time costs for implementing the service (for example the cost of a check scanner used for remote deposit).

- ii. New Services expected to be implemented or considered with the selected bank:
  - a. Remote check scanning

While the selection is not based solely on the dollar cost proposal, to be eligible for recommendation as the proposed bank for the District, the dollar cost must be reasonable and competitive.

## 6. SELECTION PROCESS

Responsive proposals received by the deadline will be evaluated by a selection committee, consisting of the District Treasurer, Business Manager and Accountant. Oral interviews at the District Office may be conducted by the District (if conducted it will be after the dollar cost proposals have been reviewed/analyzed). Negotiations will take place with the finalist that will be recommended to the District Board of Commissioners on December 17, 2019.

### A. AWARD OF PROPOSAL

Award will be made to the Proposer offering the most advantageous proposal after consideration of all evaluation criteria set forth below. The committee will evaluate all proposals received in accordance with the evaluation criteria. The District shall not be obligated to accept the lowest priced proposal but will make an award in the best interest of the District, after all factors have been evaluated.

A Notification of Intent to Award may be sent to any Proposer selected. Award is contingent upon the successful negotiation of final contract terms. Negotiations shall be confidential and not subject to disclosure to competing Proposers unless an agreement is reached. If contract negotiations cannot be concluded successfully, the District may negotiate a contract with the next highest scoring Proposer or withdraw the RFP.

### B. EVALUATION CRITERIA

The evaluation criteria will include the following:

- **Proper Submission of Proposal** – Receipt of proposal by due date as outlined in this RFP and presented according to our specifications. Late submissions or delivery via facsimile will not be considered.
- **Comprehensiveness of Services Provided** – Capability of the bank to meet the required service levels described in this RFP.
- **Public Sector Experience and Resources** – The bank's experience in providing services to the public sector, particularly to local government entities similar in size and requiring equivalent services to the Port San Luis Harbor District.



- **Strength and Stability of Bank** – The bank’s financial standing among its peers and the associated credit quality ratings, in addition to its ability to sufficiently protect and collateralize District deposits.
- **Assigned Relationship Manager/Team** – The credentials and experience of the person(s) assigned to the relationship.
- **Cost of Services** – The amount of proposed charges and ability to guarantee pricing for contract period.
- **Service Enhancements** – The bank’s efforts to understand the District’s banking needs and goals, and the creativity the bank shows in introducing new technologies and efficiencies to improve our current practices and procedures.
- **Location of Bank Offices** – The bank offices should be in close enough proximity to the District for the District’s convenience.
- **Other Factors** – Any other factors that we believe would be in the District’s best interest to consider which were not previously described.

During the evaluation process, the District reserves the right to request additional information or clarifications from banks that have submitted proposals. At the discretion of the District, banks may be requested to participate in an interview process or make oral presentations to assist in the evaluation process. The District reserves the right to investigate the qualifications of proposing banks, as it deems appropriate.

## 7. GENERAL REQUIREMENTS

### A. Right to Request Additional Information

During the evaluation process, the Selection Committee and District reserve the right, where it may serve the District’s best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the District or the Selection Committee, Banks submitting proposals may be requested to make oral presentations as part of the evaluation process.

### B. Right to Reject Proposals

The District reserves the right without prejudice to reject any or all proposals.

### C. Proposal Interpretations and Addenda

Any change to or interpretation of the RFP by the District will be sent to each Bank or individual to whom an RFP has been sent and any such changes or interpretations shall

become a part of the RFP for incorporation into any agreement awarded pursuant to the RFP.

D. Public Record

All proposals submitted in response to this RFP will become the property of the District upon submittal and a matter of public record pursuant to applicable law. The District reserves the right to retain all proposals submitted.

E. Additional Services

The general service requirements outlined above describe the minimum work to be accomplished. Upon final selection of the Bank, the scope of service may be modified and refined during negotiations with the District.

F. Undue Influence

Bank declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the District in connection with the award or terms of the Agreement that will be executed as a result of award of this RFP, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the District will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of the Agreement or any work to be conducted as a result of the Agreement. Violation of this Section shall be a material breach of the Agreement entitling the District to any and all remedies at law or in equity.

## APPENDIX A

### CERTIFICATION OF PROPOSAL TO THE DISTRICT

1. The undersigned hereby submits its proposal and, by doing so, agrees to furnish services to the District in accordance with the Request for Proposal (RFP), to be bound by the terms and conditions of the RFP.
2. This Bank has carefully reviewed its proposal and understands and agrees that the District is not responsible for any errors or omissions on the part of the proposer and that the proposer is responsible for them.
3. It is understood and agreed that the District reserves the right to accept or reject any or all proposals and to waive any informality or irregularity in any proposal received by the District.
4. The proposal includes all the commentary, figures, and data required by the Request for Proposal, dated October 4, 2019.
5. This Bank has carefully read and fully understands all of the items contained in Section 8, General Requirements. This Bank agrees to all of the general requirements except for those listed on an attachment.
6. The proposal by this Bank is an irrevocable offer and shall be valid for 90 days from December 17, 2019.

Name of Bank: \_\_\_\_\_

By: \_\_\_\_\_

(Authorized Signature)

Type Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

\_\_\_\_\_

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

Fax Number: \_\_\_\_\_

Date: \_\_\_\_\_

APPENDIX B

SUMMARY SHEET

Bank Name: \_\_\_\_\_

Bank Parent or Ownership: \_\_\_\_\_

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

\_\_\_\_\_

Bank Telephone Number: \_\_\_\_\_

Bank Fax Number: \_\_\_\_\_

Number of years in existence: \_\_\_\_\_

Management person responsible for direct contact with the District and services required for this Request for Proposal (RFP):

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

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

Person responsible for day-to-day servicing of the account:

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

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

## APPENDIX C

### BANKING SERVICES FEE SCHEDULE

Fees related to all services described in the proposal must be listed on this form – even if the service is not shown on the form. Also, include any one-time set-up charges, equipment costs, research fees, and all other fees that will be charged. Include any incentives or price breaks based on volume, timeliness of payment, or rebates.

Item	Bank's Description	Per Unit Cost	Est'd Monthly Unit Volume	Total Monthly Fee	Est'd Total Annual Cost
<b>Account Services</b>					
Monthly Maintenance Fee			24		
ACH Credits			36		
ACH Debits			40		
Checks Paid			1500		
Deposits			1500		
Wires – Incoming			10		
<i>Other: Please list</i>					
<b>Other Charges</b>					
Deposit Protection/Insurance					
<i>Other: Please list</i>					
<b>Remote Deposit Capture Services</b>					
RDC Monthly Maintenance					
<b>Online Banking Services</b>					
Online Bus pkg - complete					
<i>Other: Please list</i>					
Item	Bank Description	Per Unit Cost	Est'd Monthly Unit Volume	Total Monthly Fee	Est'd Total Annual Cost
<b>Wire &amp; Other Funds Transfer Services</b>					
Wire transfer monthly fee			2		
Incoming Domestic Wire					
Outgoing Domestic Wire					
<i>Other: Please list</i>					
<b>One Time Costs</b>					
<i>Please list:</i>					