

**REQUEST FOR PROPOSAL
FOR BANKING DEPOSITORY SERVICES**

ISSUE DATE: November 2, 2022

DUE DATE: November 16, 2022

Issued by: City of Rio Grande City

SECTION 1: INTRODUCTION AND GENERAL INFORMATION

Section 1.1. Introduction and Purpose.

The City of Rio Grande City, Texas is requesting proposals for a **BANKING DEPOSITORY SERVICES** contract for a period from the date of award to extend through **December 14, 2027**. 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 provision.

Section 1.2. Conditions Applicable to RFP.

Upon submission of a proposal in response to this RFP, the Respondent acknowledges and consents to the following conditions relative to the submission and review and consideration of its proposal:

All proposals shall become the property of the CITY and will not be returned;

All proposals will be made available to the public at the appropriate time, as determined by the CITY, in the exercise of its sole discretion, in accordance with applicable law;

Any and all proposals not received by the CITY by 4:00 p.m. prevailing time on November 16, 2022 will be rejected; and

Neither the CITY nor its respective staff shall be liable for any claims or damages resulting from the solicitation or preparation of the RFP, nor will there be any reimbursement to Respondents for the cost of preparing and submitting a proposal in response to this RFP or for participating in this procurement process.

Section 1.3. Rights of City.

The CITY reserves, holds and may exercise, at its sole discretion, the following rights and options with regard to this RFP and the procurement process in accordance with the provisions of applicable law:

The CITY may hold RFPs 60 days after deadline without taking action. Respondents are required to hold their RFPs firm for same period of time;

The CITY may reject any or all RFPs, to waive any or all formalities or technicalities, and to make such awards of contract as may be deemed to be the best and most advantageous to the City of Rio Grande City;

The CITY may award one, more than one, or no contract(s) in response to this RFP;

The CITY may conduct investigations or any or all of the Respondents, as the CITY deems necessary or convenient, to clarify the information provided as part of the RFP Response and to request additional information to support the information included in any RFP Response;

The CITY may suspend or terminate the procurement process described in this RFP at any time in the CITY's sole discretion. If terminated, the CITY may determine to commence a new procurement process or exercise any other rights provided under applicable law without any obligation to the Respondents; and

The CITY shall be under no obligation to complete all or any portion of the procurement process described in this RFP.

Section 1.4. Cost of Proposal Preparation.

Each proposal and all information required to be submitted pursuant to the RFP shall be prepared at the sole cost and expense of the respondent. There shall be no claims whatsoever against the CITY, its staff, its consultants or such consultants' staff, for reimbursement for the payment of costs or expenses incurred in the preparation of the proposal or other information required by the RFP.

SECTION 2: SUBMISSION REQUIREMENTS

Section 2.1. General Requirements.

To assure a close working relationship, to facilitate available services, and to support local business, the City shall give priority to those banks with full-service capabilities within the City limits. Any required statement regarding equal opportunity and affirmative action should be included if desired. The proposal submitted will become part of the final contract.

Section 2.2. Proposal Submission Instructions.

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. Please submit one signed original and seven copies.

Submission Requirements

Respondents must submit an original and seven (7) copies of their proposal to the Designated Contact Person: Angela M. Solis, City Secretary’s Office, 5332 US 83, Rio Grande City, Texas

Responses to the CITY’s RFP must be received by, the CITY not later than 4:00 P.M. CENTRAL TIME on November 16, 2022. Proposals in response to this RFP **will not** be accepted by mail, facsimile transmission or e-mail.

To be responsive, all proposals must provide all requested information, and must be in strict conformance with the instructions set forth herein.

RFP Questions

Questions regarding this RFP or the service requested will be accepted in written form at the address below on or before 4:00 P.M. November 16, 2022.

CITY OF RIO GRANDE CITY
ANGELA M. SOLIS
CITY SECRETARY’S OFFICE
5332 E. U.S. HIGHWAY 83
RIO GRANDE CITY, TEXAS 78582

Request for Proposal Amendments

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

Selection Criteria

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

Deposit interest rates	25%
Cost of service	30%
Service availability	20%
Safety and credit worthiness of bank	25%

Section 2.3. Award of Bid and Service Initiation.

The contract is expected to be awarded by the City Commission at its regular meeting at December 2, 2022 at the City Hall Commission Chambers. ***This date and time are subject to change.*** The City reserves the right to accept or reject any or all proposals, to accept the proposal it considers most advantageous to the City, and at its discretion to waive any defect or informality in the proposal.

SECTION 3: REQUIRED FINANCIAL INSTITUTION INFORMATION

All banks must provide, as part of the proposal:

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

SECTION 4: REQUIRED BANKING SERVICES

This section lists all the services to be provided by the bank under this agreement. Attachment A lists each of these services. The bank should use this Attachment to provide the specific cost for each service.

Section 4.1. Consolidated Account Structure.

The bank is to provide a master consolidation account and zero balance accounts from which daily balance and detail reporting is available. The City's current account structure is included as Attachment B.

Section 4.2. Wire Transfer Services.

The City currently generates approximately one incoming wire each quarter, and three outgoing wire transfers per month. 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. The City requires adequate security provisions and procedures. If the wire transfer requests are available on line, full information should be submitted detailing the use.

Section 4.3. 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.

Section 4.4. 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.

Section 4.5. Investment of Idle Funds and 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. If the bank is proposing overnight repurchase agreements, an executed Master Repurchase Agreement is required. To fulfill GASB III requirements for reporting, if a repurchase agreement is executed with the bank itself, the collateral must be held in the trust department of the bank in a separate account.

All securities will be handled on a delivery versus payment (DVP) basis as they are cleared into and out of the account. There will be approximately two securities in safekeeping at any time. All clearing and safekeeping will be in the bank or its correspondent. All correspondent and safekeeping arrangements will be stipulated in the proposal.

Section 4.6. Standard Disbursing Services.

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

Section 4.7. 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.

Section 4.8. 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, even if no fees are charged. 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. **A proposal will not be considered if monthly account analysis reports are not to be provided.**

Section 4.9. 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 both the account executive and the backup to be assigned to the City's account.

Section 4.10. 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.

Section 4.11. 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 overdraft charges or handling procedures.

Section 4.12. Stop Payments.

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

Section 4.13. 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 of \$250,000. Collateral shall consist only of eligible securities. Eligible securities include **only** the following:

1. Obligations of the United States and of its agencies and instrumentalities, which have a liquid market with a readily determinable market value.
2. Direct obligations of the State of Texas and agencies thereof.
3. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States.
4. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

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 City. 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.

Section 4.14. 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.

Section 4.15. 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, feasibility, 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.

SECTION 5: 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.

ATTACHMENT A - BANKING SERVICE CHARGES

Any and all anticipated service charges must be shown on this form to be applicable under the agreement. Add additional lines as required.

Service Unit	Unit Charge	Cost of Service
Account Maintenance	Per month	
Daily Balance Reporting	Per month	
Zero Balanced Account		
Master Account	Per month	
Subsidiary Accounts	Per month	
Credits posted	Per transaction	
Debits posted	Per transaction	
Encoding charge	Per transaction	
ACH Processing	Per transaction	
Origination of file	Per tape	
ACH deletions	Per transaction	
ACH entries	Per transaction	
Returned checks	Per transaction	
Controlled disbursement	Per account/per month	
Items deposited		
Deposits	Per transaction	
Commercial deposits	Per transaction	
Group I items	Per transaction	
Group II items	Per transaction	
Group III items	Per transaction	
Group IV items	Per transaction	
Stop payments	Per transaction	
Wire transfers		
Incoming	Per transaction	
Outgoing	Per transaction	
Investment safekeeping		
S/keeping interest/credit	Per transaction	
S/keeping receipt deposit	Per transaction	
S/keeping outgoing	Per transaction	
Securities DVP FRB	Per transaction	
Securities DVP NY	Per transaction	
Check printing	Per transaction	
Extra statements	Per transaction	
Disposable bank bags	Per item	

ATTACHMENT B – CURRENT ACCOUNT LIST

Account Name
GENERAL FUND
HOTEL TAX FUND
RIO GRANDE CITY 4B EDC
POLICE DEPARTMENT FORFEITURE
HIDTA TASK FORCE
PD TREASURY FORFEITURE
PD OFFICERS TRAINING
BORDER SECURITY GRANT (LBSP-08)
OPERATION STONE GARDEN FUND
AIRPORT FUND
PEG FEE REVENUE
2013 C O CONSTRUCTION
EDA PROJECT
TWDB-SPRP NO 73874 PROJECT
COMB TAX AND REVENUE CO SERVICE
2010 CO DEBT SERVICE
2013 CO DEBT SERVICE
PUBLIC UTILITY OPERATING
PUBLIC UTILITY CUSTOMER DEPOSITS
PUBLIC UTILITY WATER RIGHTS
CERTIFICATES OF OBLIGATION 2020
B&G CLUB OF RIO GRANDE CITY
PARK FEE FUND
AMERICAN RELIEF PLAN