

SUBJECT: Award Of Contract For Banking Services.

PREPARED BY: Finance

DATE: August 8, 2001

FOR AGENDA OF: August 13, 2001

SUMMARY:

On June 28th, 2001, the City of Wasilla's Finance Department issued a RFP for banking services for September 1, 2001 through August 31, 2004 with two 1 year options for renewal based on mutual agreement.

The City received 4 proposals:

- 1. Wells Fargo
- 2. Key Bank
- 3. First National Bank of Anchorage
- 4. Northrim

The Banking RFP committee consisting of Ted Leonard (Finance Director), Susan Colligan (Senior Accountant), and Kristie Vangorder (City Clerk) went over the proposals using the following criteria:

- 1. Requirements met;
- 2. Level of Service and References;
- 3. Bank Stability;
- 4. Technology;
- 5. Community Relations;
- 6. Compensating Balance required to cover Bank Service Fees;
- 7. Overnight Repurchase Rate for Investment of Funds.

Based on the review of all the proposals, it is the recommendation of the Banking RFP committee to award the Banking Service Contract to Wells Fargo. Under the agreement with Wells Fargo, the City of Wasilla will keep a non-interest bearing compensating balance of \$108,000 at Wells Fargo to cover banking service fees.

FISCAL IMPACT: ___No ___X Yes, the City of Wasilla must keep \$108,000 in a non-interest bearing note to cover banking service fees. Estimated cost in lost interest earnings based on current interest rates is approximately \$3,402 per year.

RECOMMENDED ACTION: Council is requested to award the contract to Wells Fargo for banking services


 Reviewed by: SARAH PALIN, Mayor

Attachments: Banking RFP

Presented to council on 8/13/01
 Action taken: Approved Denied
 other: _____
 Verified by AK

REQUEST FOR PROPOSAL - RFP 2002-01, BANKING SERVICES

The City of Wasilla (City) is issuing a Request for Proposal (RFP) to obtain the services of a qualified firm to provide Banking services. The City reserves the right to accept or reject any or all proposals or any part of any proposal.

GENERAL TERMS AND CONDITIONS

UNDERSTANDING AND VARIATIONS: It is the Proposer's responsibility to read and understand the requirements of this solicitation of proposal. Proposers are required to state exactly what they intend to furnish to the City via this Solicitation and must indicate any variation to the terms, conditions, and specifications of this proposal, no matter how slight. If variations are not stated in the proposal, it shall be construed that the proposal fully complies with all conditions identified in this proposal.

1. **RESPONSES:** All responses to this RFP must comply with the General Conditions.
2. **RFP SUBMISSION:** The Proposer shall submit one (1) original and three (3) copies of the proposal. The original proposal must be manually and duly signed in ink by a Corporate Officer with the authority to bind the bidding company by his/her signature.
3. **PRICES, TERMS, AND CONDITIONS:** All prices, terms, and conditions quoted in the submitted RFP will be firm for acceptance for sixty (60) days from the date of the RFP opening date unless otherwise stated by the City.
4. **WITHDRAWAL OF RFP:** Any Proposer may withdraw its RFP prior to the indicated opening time. The request for withdrawal must be submitted in writing to the City Clerk's office.
5. **QUANTITIES:** Quantities shown are estimates only. No guarantee or warranty is given or implied by the City as to the total amount that may or may not be purchased from any resulting contract. The City reserves the right to decrease or increase quantities as required.
6. **PERFORMANCE:** Failure on the part of the Proposer to comply with the conditions, terms, specifications, and requirements of the RFP shall be just cause for the cancellation of the RFP award. The City may, by written notice to the Proposer, terminate the contract for failure to perform. The date of termination shall be stated in the notice. The City shall be the sole judge of nonperformance.
7. **DEFAULT:** In the event that the Proposer defaults on the contract or the contract is terminated for cause due to performance, the City reserves the right to obtain the materials or services from the next lowest Proposer or other source during the remaining term of the contract. Under this arrangement the City shall charge the Proposer any excess cost occasioned or incurred thereby.

8. **ASSIGNMENT:** The Proposer shall not transfer or assign the performance required by the RFP without the prior written consent of the City. Any award issued pursuant to this RFP and moneys that may become due hereunder are not assignable except with prior written approval of the City.
9. **RFP PREPARATION EXPENSE:** The Proposer preparing an RFP in response to this proposal shall bear all expenses associated with its preparation. The Proposer shall prepare an RFP with the understanding that no claim for reimbursement shall be submitted to the City for the expense of RFP preparation or presentation.
10. **SITE INSPECTION:** It shall be the responsibility of the Proposer to inspect the site before submission of an RFP. No pleas of ignorance by the Proposer of conditions that exist or that may hereafter exist as a result of failure to fulfill the requirements of this contract will be accepted as the basis for varying the requirements of the City or the compensation to the Proposer.
11. **OMISSION OF DETAILS:** Omission of any essential details from these specifications will not relieve the Proposer of supplying such product(s) as specified.
12. **CLARIFICATION TO TERMS AND CONDITIONS:** The Proposer shall examine all RFP documents and shall judge all matters relating to the adequacy and accuracy of such documents. Any inquiries, suggestions, requests concerning clarification or solicitation for additional information shall be submitted in writing to the City of Wasilla's Finance Office. The City shall not be responsible for oral interpretations given by any City employee or its representative.

The City shall issue a written Addendum if substantial changes which impact the submission of the RFP is required. A copy of such addenda will be mailed or distributed via facsimile transmission to each Proposer receiving the proposal.

SPECIAL CONDITIONS

I. Purpose of Request

The City of Wasilla invites qualified firms to submit a proposal to provide banking services to the City. This proposal should address the following objectives:

- A. Actual daily operational banking needs of the City.
- B. Providing maximum service to the City while minimizing costs to the City.

II. Service Charges

The City currently uses compensating balances to pay for all banking services.

III. Proposal and Submission Requirements

Each proposal shall provide a straightforward, concise delineation of the Proposer's capabilities to satisfy the requirements of the RFP. The emphasis in each proposal must be on completeness and clarity of content. In order to expedite the evaluation of proposals, it is essential that Proposers follow the format and instructions contained herein. If the Proposer so wishes, the proposal may be accompanied with brochures, promotional materials, or displays properly identified. However, proposal submission requirements as listed herein must be followed. All proposals must be submitted as specified on the proposal pages that follow. Any attachments must be clearly identified.

- A. Technical Proposal
- B. Request for Proposal Form
- C. Proposal Certification
- D. Variations
- E. Proposal Summary Forms
- F. Optional Services and Prices
- G. Pricing and Overnight Repurchase Interest Rate (**Must Be in a separate sealed envelope marked (pricing proposal)**)
- H. Attachments to your Proposal

IV. Bidding

Each bank should bid on all items in this RFP (including optional services) unless the bank is unable to provide said service.

V. Schedule

Request for Proposal Issued	June 28, 2001
Inquiry Due Date	July 13, 2001
Proposal due date – by 3:00 p.m. To Finance Office – Wasilla City Hall	August 01, 2001
Evaluation of Proposals	August 03, 2001
Contract Award	August 13, 2001
Contract Begins	September 01, 2001

VI. Inquiry

All inquires must be submitted in writing to Wasilla City Hall, Attn: Finance Department, 290 E. Herning, Wasilla Ak 99654 by July 13, 2001, for questions about the engagement.

A written Addendum, if required, will be issued by July 20, 2001.

VII. Proposal Forms

Any form provided in this RFP (or copies thereof) should be used to provide the specific information required. The Proposer should add information, as necessary, to any form provided in order to assure completeness and accuracy to the RFP. Where forms are not provided, the information requested should be clear, concise, and organized in the same sequence as this RFP, where practical.

- A. It shall be construed that individual banking services that are offered meet or exceed the requirements as stated in the accompanying specifications. If the Proposer cannot meet a service requirement, then the phrase "not available" should be entered on the Proposal Form for that service requirement. In the case of a "not available" remark, the bank may offer an alternative service. Multiple Proposals and Alternate Proposals may be submitted for consideration.
- B. This RFP presents the City's Requirements under present methods of operation. Responses to this request should address these requirements, but Proposers are encouraged to suggest any additional services, which, in their opinion, would be in the best interests of the City.
- C. Proposals may be submitted which deviate from the requirements herein, providing that they are clearly identified as alternate proposals and providing further that it can be demonstrated that stated requirements are substantially improved or are not compromised or prejudiced by such deviations; and, that it would be clearly in the interest of the City that an

alternative proposal by considered. Such alternative proposals will be provisionally accepted for consideration, subject to the reserved right of the City to make the determination whether the above stated conditions for the alternative proposals have been satisfied and subject further to the reserved right of the City to accept or reject these proposals upon the basis of the determination.

VIII. Minimum Proposal Information

In order for the City to evaluate the proposals, each bank shall provide information relative to their ability to provide the services that the City shall require both now and in the future. At a minimum, this information must include:

- A. A summary of the institution's financial resources (including the audited financial statements of the prior two (2) fiscal years).
- B. A listing of branches, emphasizing those located within the corporate limits of the City.
- C. A listing of other local government's accounts serviced by the bank indicating contract person(s) at the government unit.
- D. An overview of the bank's involvement in community service projects.
- E. Financial services available beyond those included in the RFP.
- F. Any other information the bank believes relevant to the selection of a depository bank.
- G. Your proposed "Master Banking Services Agreement" with the City for banking services.
- H. Your proposed "Master Repurchase Agreement".

IX. Minimum Qualifications

A bank submitting a proposal must:

- A. Be a Federal or State of Alaska chartered commercial bank.
- B. Be a member of the Federal Reserve System.
- C. Provide insurance on accounts through the Federal Deposit Insurance Company.
- D. Have a physical branch located in the City of Wasilla.
- E. Provide collateralization of all monies deposited in excess of FDIC limit in accordance with Wasilla Municipal Code (WMC) 5.12. All pledged collateral

must be held in the collateral custodial account of the City of Wasilla under a formal tri-party Agreement.

- F. Provide an overnight repurchase agreement on the daily remaining balance of the City of Wasilla's concentration account

The Proposer must have adequate organization, facilities, equipment, and personnel to insure prompt and efficient services to the City. The City reserves the right before recommending any award to inspect the facilities, organization, and financial condition or to take any other action necessary to determine ability to perform in accordance with specifications, terms, and conditions.

X. Evaluation Criteria

Proposals will be evaluated using the criteria listed below to ascertain which proposal best meets the requirements of the City. The items to be considered during the evaluation and the associated point values are:

<u>Evaluation Category</u>	<u>Weight</u>		<u>Rating</u>	=	<u>Score</u>
1. Requirements Met	4	x	_____	=	_____
2. Level of Service & References	2	x	_____	=	_____
3. Bank Stability	2	x	_____	=	_____
4. Technology	2	x	_____	=	_____
5. Community Relations	1	x	_____	=	_____

Note: Following Information Will Not Be Opened until Above Information is Scored.

6. Pricing (Compensating Bal.)	3	x	_____	=	_____
7. Overnight Repurchase Rate	5	x	_____	=	_____

Total Score _____

The rating will be on an ascending ten (10) point basis, one (1) point being lowest and ten (10) points being highest.

XI. Selection Process

An evaluation committee selected by the City will conduct evaluations of the proposals. The committee will evaluate all responsive proposals based upon the information contained in the proposals as submitted. The committee will score and rank all responsive proposals. The Proposer with the highest score will be recommended to the City Council to receive the contract. The recommendation does not bind the Council.

The City may require additional information and Proposers agree to furnish such information. The City reserves the rights to award the contract to the Proposer who will best serve the interest of the City. The City reserves the right based on its deliberations and in its opinion, to accept or reject any or all proposals. The City also reserves the right to waive minor irregularities or variations to the specifications and in the proposal process.

TECHNICAL SPECIFICATIONS / SCOPE OF SERVICES

BANKING SERVICES

I. Background

The City of Wasilla is a community serving more than 5,500 residents.

II. Intent and Duration

It is the intent of the City of Wasilla to select one bank to provide full banking services for all City funds. The objectives are to obtain the best banking services while minimizing the cost to the City.

The period of the contract for banking services shall commence within seventeen (17) days of the selection of the depository bank and shall terminate three (3) years after the date of commencement. The City reserves the right to renew the contract for two (2) additional one (1) year terms pending a mutual agreement between the City and the vendor, and a review, by the City, of the vendor's contract performance for the previous year.

Prices, terms, and conditions shall remain firm throughout this contract period unless modified or canceled in accordance with the provisions of this proposal.

III. Account Structure

The City maintains a Central Treasury Account and two Sub-Accounts. The Sub-Accounts are for payroll and for accounts payables. The two Sub-Accounts are funded daily by automatic transfers from the Central Treasury Account for any checks charged to the account that day which thereby creates a daily zero balance in the Sub-Accounts thereby maximizing the balances available for daily investments in the Central Treasury Account.

In addition to these three accounts, additional demand deposit accounts may need to be established to meet the banking requirements of the City.

- A. Central Treasury Account - This account is used for routine daily operations, including but not limited to:
 - 1. Deposits by City staff.
 - 2. Transfer of funds to the other City accounts.
 - 3. Receipt and disbursement of wire transfers.
 - 4. Receipt and disbursement of ACH transactions.
 - 5. This account has an average balance of over \$1.0 million with the daily balance not expected to fall below \$500,000.

- B. Payroll Account – This account is used for processing of the employee paychecks and direct deposit transactions.

- J. The bank, as needed, will provide bank bags, checks, and deposit slips for all accounts to the City.
- K. The bank will execute outgoing wire transfers upon request by the City.
- L. The bank will invest all available funds of the City in repurchase agreements until the next business day. The overnight repurchase rate will be quoted as a rate equal to the average bond equivalent yield on the 91-day U.S. Treasury Bill plus any basis points agreed to in the contract adjusted as of the auction dates. The method of interest calculation (360 or 365 days) will be specified by the bank.
- M. A monthly report is to be provided which is to include the amount of funds available daily for investment with corresponding interest rates and earnings.
- N. Proposers must be capable of providing systems and support for acceptance of credit card payments to the City. The City currently accepts VISA, MasterCard, Discover, and American Express cards. Please list the monthly lease cost for Electronic Data Capture Terminals w/printers and the transaction fees in the optional service attachment.

V. Repurchase Agreement

A. General Information

It is the intent of the City to maximize its earnings on the daily surplus cash balances. The Bank will execute a daily Repurchase Agreement for the available funds in the Central Treasury after the transfers to the sub-accounts. Repurchase Agreements will be executed exclusively against obligations of the U.S Government and/or its agencies, and not against securities of lesser quality. The collateral for the Repurchase Agreement shall be held in a third party bank in the City of Wasilla's name.

B. Requested Conditions

1. Each day, any remaining balance in the Central Treasury Account which exceeds the amount of that day's deposit into the Central Treasury account is automatically available for immediate investment in repurchase securities. Deposits comprised of matured investments and/or wired funds are available for immediate investment on the same day deposited
2. All Purchased Securities will be securities of the U.S. Government and/or its agencies.
3. The Seller shall maintain compliance with applicable federal regulatory standards and guidelines regarding capital adequacy and net capitalization.

4. All transactions shall be accomplished through "delivery vs. payment" unless an agreement is made between the Buyer and the Seller prior to the transfer of funds.
5. No security may be substituted for the Purchased Securities.
6. For the Margin Ration section of the agreement, it is understood that securities will be collateralized at 102%.
7. A copy of the Master Repurchase Agreement should be included with each proposal. The minimum amount required for an investment along with the minimum incremental amount should be clearly stated.
8. At the beginning of the next business day, all balances shall be transferred back to the City's Central Treasury account along with the interest earned on the overnight/weekend transaction.

VI. **Optional Services**

- A. Each proposal submitted, as part of the response in the Technical Section, should address the topics of PC /On-line Banking and Positive Pay and the benefits thereof as compared to the City's Demand Deposit Accounts. The response should also include tangible costs such as computer software and hardware and communications expenditures, and intangible costs such as employee training and conversion.
- B. The City of Wasilla is looking for a bank that will provide the City with an account for the custody and safekeeping of its investment portfolio.

Services to provided are:

- Hold approximately 10 to 20 securities that are fed wireable and/or DTC eligible.
- Collect income and principal and provide a high quality money market fund or other "sweep" vehicle for holding cash equivalents.
- Provide monthly statements to the City as well as an investment manager.
- Settle trades on a delivery versus payment (DVP) basis. After initial portfolio set-up we anticipate modest trade activity.
- The portfolio size will begin at approximately \$5,000,000 (5 million) in value.

Please provide a fee schedule and anticipated annual charges (in dollars) for these services.

- C. Purchasing Cards – The City is not currently using Purchasing Cards. The City is interested in establishing a pilot program for a period of three (3) to six

(6) months to determine the effectiveness of these cards. Upon completion of the pilot program and after the City's evaluation of same, a decision will be made concerning implementation.

Please describe the product you would recommend to the City. The description should include, at a minimum:

1. Explain the advantages and disadvantages of a purchasing card program.
2. What purchasing card or cards do you have?
3. Do you have a dedicated group that services your purchasing card services?
4. Describe the instructional materials you provide to cardholders.
5. Describe the transaction restrictions and limitations you offer and how they are applied (i.e., directly to a card or a group of cards, UPC codes, etc.).
6. What are the fees or charges per card?
7. Describe the types of reports that are available.
8. Describe the requirements for direct PC or Internet connection, including any hardware or software requirements.
9. How does your purchasing card differ from your competition?

VII. Conversion Support

- A. If you were to be selected, please discuss the level of support you would commit to facilitate the City's conversion to your systems?
- B. Please define the number of staff you would make available to support the conversion. Indicate the nature of their professional or technical qualifications.
- C. Describe the type of support you would require of the City in terms of staff and equipment.
- D. Please provide an outline and time schedule of the tasks necessary to facilitate conversion.

VIII. Customer Support

- A. Who will be the City's primary contact(s)? Please provide résumés for the contact(s).

- B. Please describe how your customer support for general banking issues is structured. Will staff, in addition to the primary contact person, be assigned to the City's account?

IX. Miscellaneous Items

Please outline any Banking Incentive Programs for City employees which you may have such as:

- A. Free or reduced cost checking accounts.
- B. Reduced rate loans.
- C. Other free or reduced cost services provided to Bank Customer's employees.

X. Explanation of Proposal Forms

The use of the Proposal Forms or copies thereof is required of all Proposers. No proposal will be considered without amount being placed on these forms. If the bank is unable to meet or exceed the requirements specified, then the phrase "No Proposal" should be entered for that particular item.

The City reserves the right to eliminate any individual service contained in the RFP, if based on analysis, the fees for providing the service are excessive, or if the service proposed can be performed in an alternative manner.

XI. Activity Based Cost Proposal for Banking Services

The Activity Based Cost Schedule form is intended to provide the City with a format by which to evaluate the activity based cost of the banking services proposed by the respondent. Please complete the Charge per Unit column for each line item in the schedule as follows:

- A. Indicate the cost per unit you are willing to commit to for each itemized service you will provide. Please indicate if the cost per unit is dependent on the actual activity volume.
- B. Please indicate your proposed Unit of Measurement if different from that defined. If you will be providing an itemized service at no charge to the City, please indicate as \$0.00.
- C. If an itemized service is included as part of the charge of another line item, please indicate so by referencing the line item number under which it is included.
- D. Please indicate the formula used to calculate the earnings on compensating balances in the account(s). How frequently are earnings calculated?

E. If you will not be providing a particular service, please indicate as “No Proposal”.

The respondent may add any additional services to the list provided if such services are considered necessary in order to provide the level of service contemplated in this RFP. Please indicate the type of service contemplated, the Unit of Measurement, and the Cost per Unit of each item added.

All respondents are required to complete this schedule.

XII. Alternative Cost Proposals for Banking Services

A. Can you recommend any other mechanisms by which the cost for banking services provided to the City can be reduced or eliminated?

XIII. Summary

All banks are requested to complete the form “Proposal for Banking Services”, attach the requested forms, reports, the attachments and return the package to the City in accordance with the instructions within this RFP.

The City intends to enter into a formal Banking Services Contract with the awarded Bank, which will incorporate all provisions of this RFP.

TECHNICAL PROPOSAL FORMAT

1. Title Page:

Show the request for proposal subject, the name of your firm, address, telephone number, name of contact person, and date.

2. Table of Contents:

Clearly identify the material by section and page number.

3. Letter of Transmittal:

A. Limit to one or two printed pages

B. Briefly state your firm's understanding of the work to be done and provide a positive commitment to perform the work.

C. State the names of the persons who will be authorized to make presentations for your firm, their titles, addresses, and telephone numbers.

4. Profile of Proposer:

A. State whether your organization is national, regional, or local.

B. State the location of the office from which your work will be performed.

C. Describe your firm's experience in providing banking services for municipalities. Provide a representative list of current and prior government clients. Include the contact person's name and telephone number and indicate the type of services performed.

REQUEST FOR PROPOSAL FORM
BANKING SERVICES FOR THE CITY OF WASILLA

Submitted By: _____

Company Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: (____) _____ Fax: (____) _____

Delivery: As specified in the Proposal

Bonding: None required for this RFP.

Note: To be considered eligible for award, one (1) original copy of this RFP proposal form and three (3) copies must be submitted with the Proposal.

NO RFP INDICATION (IF "NO BID" IS OFFERED):

Please indicate reason(s) why a Proposal is not being submitted at this time. Return this form to avoid removal of Proposer from the City of Wasilla's vendor listing.

REQUEST FOR PROPOSAL FORM

This proposal contains all the information requested in the RFP, including the following attachments:

ATTACHMENT A: Technical Proposal

ATTACHMENT C: Proposal Certification Form

ATTACHMENT D: Variations Form

ATTACHMENT E: Proposal Summary Form

ATTACHMENT F: Optional Services and Prices

ATTACHMENT G: Pricing and Overnight Repurchase Interest Rate Quote
Must Be In Sealed Envelop

Bank's Audited Financial Statements for the previous two years (submit only one set)

Bank's proposed "Master Banking Services Agreement"

Bank's proposed "Master Repurchase Agreement"

Bank's proposed "Wire Transfer Agreement"

Bank's proposed "Custodial Agreement"

Location of Bank's Branch in the City of Wasilla

Résumé's of Contact persons

Any Other Attachments

(Signature)

(Typed Name)

(Title)

(Date)

NOTE: Proposals without the manual signature of an authorized agent of the Proposer shall be deemed non-responsive and ineligible for award.

PROPOSAL CERTIFICATION FORM

The undersigned hereby confirms that:

1. He/she is a duly authorized agent of the Company submitting the proposal;
2. He/she has read the General Terms and Conditions, the Special Conditions, and any Technical Specifications which were made available to the Proposer in conjunction with the RFP and fully understands and accepts these terms unless specific variations have been expressly listed on the Proposal Form;
3. The Proposer will accept any awards made to it as a result of the Invitation for a minimum of sixty (60) calendar days following the date and time of the RFP opening.

BY:

(Manual Signature of Agent)

Date: _____

(Typed/Printed Name of Agent)

(Title of Agent)

NOTE: Proposals without the manual signature of an authorized agent of the Proposer shall be deemed non-responsive and ineligible for award.

VARIATIONS FORM

Company Name: _____

The Proposer shall identify all variations and exceptions taken to the General Terms and Conditions, the Special Conditions, and any Technical Specifications in the space provided below; provided, however, that such variations are not expressly prohibited in the RFP documents. For each variation listed, reference the applicable sections of the RFP document. If no variations are listed here, it is understood that the Proposal fully complies with all terms and conditions. It is further understood that such variations may be cause for determining that the Proposal is non-responsive and ineligible for award:

Section _____ Variance _____

Section _____ Variance _____

Section _____ Variance _____

Section _____ Variance _____

Section _____ Variance _____

Attach additional sheets if necessary.

BY: _____ **Date:** _____
(Manual Signature of Agent)

(Typed/Printed Name of Agent)

(Title of Agent)

NOTE: Proposals without the manual signature of an authorized agent of the Proposer shall be deemed non-responsive and ineligible for award.

PROPOSAL SUMMARY

Bidder to Complete the Following:

Name of Bank: _____ Telephone: _____

Contact Person: _____ Telephone: _____

Address: _____

Federal Tax Identification Number: _____

Name of Official Completing RFP: _____

Title: _____

Type of Bank (Federal or State Charter): _____

Is your bank a Member of the Federal Deposit Insurance Corp? Yes _____ No _____

Is your bank a Member of the Federal Reserve System? Yes _____ No _____

Deposits Federally Insured up to: _____

Authorized Public Depository? Yes _____ No _____ If NO, you understand that you

must become a Public Depository? Yes _____ No _____ and will comply.

Number of Branches located within the City of Wasilla: _____

Please attach a list which includes location, business hours, and if there is a night depository for each branch.

PROPOSAL SUMMARY

List any local governmental agencies that you have provided the type of services required herein:

_____	_____	_____
(Name)	(Contact)	(Phone)
_____	_____	_____
(Name)	(Contact)	(Phone)
_____	_____	_____
(Name)	(Contact)	(Phone)

Is there any major litigation pending against your bank? Yes _____ No _____

If yes, give details:

PROPOSAL SUMMARY

TRANSACTION BASED CHARGES:

The following list of activities represents an average number of transactions per month. It is an estimate of the number of transactions. It is not a guarantee of either a minimum number of transactions, or a maximum number of transactions. Blank lines are provided for your use in providing for any other items which are normally charged per transaction.

Description of Activity	Average Monthly Activity	Charge Per Unit	Estimated Monthly Total Charges
3 City Accounts	-	-	-
<u>Central Treasury Account:</u>	1		
Deposits Credited	65		
Items Deposited – average per deposit	30		
Wire Transfers – Incoming	2		
Wire Transfers – Outgoing	2		
ACH Items	8		
Debit & Credit Memo’s	2		
Returned Checks (from deposits)	4		
Tax Payments- EFT	4		
Other (specify)			
<u>Payroll Account:</u>	1		
Checks Paid	30		
Stop Payments	2		
Direct Deposits to Employee Accounts	120		
Other (specify)			
Other (specify)			

PROPOSAL SUMMARY

TRANSACTION BASED CHARGES:

Description of Activity	Average Monthly Activity	Charge Per Unit	Estimated Monthly Total Charges
<u>Accounts Payable Account</u>	1		
Checks Paid	225		
Stop Payments	1		
Other (Specify)			
Other:	-	-	-
Research	1		
Copies of cleared items	1		
Deposit bags w/locks	10		
Endorsement Stamps	10		
Other (Specify)			
Other (Specify)			
Other (Specify)			

BY:

(Manual Signature of Agent)

Date:

(Typed/Printed Name of Agent)

(Title of Agent)

NOTE: Proposals without the manual signature of an authorized agent of the Proposer shall be deemed non-responsive and ineligible for award.

OPTIONAL SERVICES AND PRICES FOR OPTIONAL SERVICES

Company Name: _____

Please describe optional services and incremental cost for adding each service

1. PC/On-line Banking. Cost should include tangible cost such as computer software and intangible costs such as employee training and data conversion.

2. Positive Pay to Deter Check Fraud.

3. Provide an account for the custody and safekeeping of the City of Wasilla's investment portfolio.

4. Purchase Cards.

5. Other Services

BY: _____
(Manual Signature of Agent)

Date: _____

(Typed/Printed Name of Agent)

(Title of Agent)

NOTE: Proposals without the manual signature of an authorized agent of the Proposer shall be deemed non-responsive and ineligible for award.

PRICING AND OVERNIGHT REPURCHASE INTEREST RATE (MUST BE IN A SEPARATE SEALED ENVELOPE MARKED (PRICING PROPOSAL))

Company Name: _____

1. Non-Interest Bearing Certificate of Deposit Amount (Note: must be collateralized per Wasilla Municipal Code 5.12.): \$_____

2. Average Interest Rate Net to City on Repurchase Agreements:

Rate will be equal to the average bond equivalent yield on the 91-day U.S. Treasury plus _____ basis points adjusted as of the auction dates, calculated as follows:

Collected Balance times rate times number of Days divided by _____ (360 or 365).

Please give example of rate and interest earned for June 18th, 2001 based on a collected balance in our Central Treasury Account of \$1,000,000:

BY: _____
(Manual Signature of Agent)

Date: _____

(Typed/Printed Name of Agent)

(Title of Agent)

NOTE: Proposals without the manual signature of an authorized agent of the Proposer shall be deemed non-responsive and ineligible for award.

- C. Accounts Payable Account – This account is used for processing disbursements by accounts payable.

IV. Services

- A. Accept and send ACH transactions and provide written notification of ACH deposits promptly.
- B. Process direct deposit of employee payroll semi-monthly. Approximately 80% of the City employees are expected to participate in a direct deposit program. The deposits should be recorded to the accounts on the same business day or no later than the next business day following the receipt of information from the City of Wasilla.
- C. Accept deposits by City employees on a daily basis.
- D. Collateralize all City accounts in conformity with Wasilla Municipal Code 5.12.
- E. 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 third (3rd) business day of the following month.
- F. All Stop Payment orders will be transmitted via facsimile copy. Upon receipt of the order, the bank will examine their records and inform the City as to whether the specified check has or has not been paid. If the bank determines that the specified check has been paid, the bank will forward to the City a copy of said check. If the bank determines that the specified check has not been paid, the bank will immediately issue its internal stop payment order and confirm the execution of said order to the City. Cancellations of Stop Payment Orders, if any, will be processed as above.
- G. Checks are to be returned to the City with the monthly activity statements. The checks are to be in numerical order. If the bank utilizes document imaging and provides images of the cancelled checks in lieu of the actual cancelled check, then copies of the front and back of requested checks are to be provided. Please indicate what medium will be used (i.e. Diskette, CD-ROM).
- H. Should any deposited check(s) be returned due to non-sufficient funds, or for any reason, the bank will make a second attempt to collect the funds. If the same item is returned again, the bank shall forward the check(s) to the City within one business day.
- I. In the event that a City demand deposit account shows an overdraft position, the bank agrees to immediately notify the City by telephone. The bank further agrees to waive any penalties or charges if the item(s) is(are) honored by the City within one business day.