



Request for Proposal

Banking Services

Mammoth Community Water District
Mammoth Lakes, CA

Issue Date:

January 3, 2024

Deadline for Proposal Submittal:

February 14, 2024

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RFP Introduction

1.1 Summary

Mammoth Community Water District (“District”) is seeking proposals from qualified financial institutions interested in providing comprehensive banking services to the Mammoth Community Water District. The District seeks to obtain the most efficient and effective banking services while maintaining sufficient liquidity and protection of all the funds entrusted to the District. The District is accepting proposals from institutions that can provide quality service at a reasonable cost while utilizing up-to-date security methods and technology.

The District currently maintains two accounts and conducts the majority of its business with a national bank that has no local branches. We process our cash payments with a local branch of a regional bank. The District is satisfied with its current banking institutions but has decided to solicit proposals from interested financial institutions to ensure that the District receives the best available services at the lowest cost.

1.2 RFP Timeline

Event	Date/Time
RFP Issued by MCWD	January 3, 2024
Notice of Intent to Submit Proposal Due	January 17, 2024
Vendor Questions and Comments Due	January 24, 2024
District Responses to Vendor Questions and Comments	January 31, 2024
Proposal Submission Deadline	February 14, 2024 at 4:00 PST
Finalist Notification and Interviews Scheduled*	February 23, 2024
Vendor Selection and Notification	No later than March 15, 2024
Contract Negotiations and Award of Contract	No later than April 15, 2024

1.3 RFP Coordinator

All communications regarding this RFP must be submitted via email to:

Melissa Bretz
 Senior Administrative Analyst
 Finance Department
mbretz@mcwd.dst.ca.us

Vendor contact with anyone else at the District is expressly forbidden and may result in disqualification of the Vendor’s bid.

1.4 Notice of Intent to Submit Proposal

By January 17, 2024, Proposers must send an email to the RFP Coordinator that indicates an intent to submit a Proposal along with the primary contact person's name, phone number, and email. This notice of intent does not create an obligation to submit a proposal but ensures we can properly communicate with all potential Proposers.

1.5 RFP Questions and Comments

Questions and comments concerning this RFP should be submitted via e-mail to the RFP Coordinator no later than January 24, 2024. The District's responses to all questions received will be provided via return email by January 31, 2024 to all known Proposers.

1.6 Proposal Submission

Proposals must be received by the District on or before 4:00 pm (PST) on February 14, 2024. Proposals received by the District after the deadline will not be considered.

Proposers must submit two (2) bound copies as well as an electronic copy of the proposal on a flash drive in a sealed package marked "Banking Proposal" to the RFP Coordinator. Proposal packages should be delivered to the address* indicated below.

*Please note – we recommend using a private shipping company, such as UPS or FedEx, rather than the US Postal Service.

Via UPS/FedEx:

Mammoth Community Water District
Attn: Melissa Bretz
1315 Meridian Boulevard
Mammoth Lakes, CA 93546

Via United States Postal Service:

Mammoth Community Water District
Attention: Melissa Bretz
PO Box 597
Mammoth Lakes, CA 93546

1.7 Interviews and Demonstrations

If selected as a finalist, informal interviews and online banking demonstrations, either in person or by virtual meeting, will be scheduled and conducted. Please be prepared to answer questions about your proposed solutions and demonstrate online banking capabilities and common processes.

1.8 Contract Negotiations and Award of Contract

Once evaluation is complete, the District intends to enter into contract negotiations with the selected bank. These negotiations could include all aspects of services and fees. If a contract is not finalized within 30 days, the District reserves the right to open negotiations with the next best-ranked bank. The selected bank will be required to enter into a written contract with the District in a form approved by legal counsel for the District. Any part of the proposal may be incorporated into and made a part of the final contract.

2 District Overview

The Mammoth Community Water District, formed on August 5, 1957, is a California Special District that provides water and wastewater services to a permanent resident population of 8,200 as well as a tourist population of up to 35,000 people during ski season and peak holiday periods. Our service area is 5.8 square miles.

The District is governed by a five-member Board of Directors who are elected by the registered voters of Mammoth Lakes to four-year staggered terms, with elections held in even-numbered years. The MCWD staff includes forty-four full-time employees who comprise the following seven departments: Administration, Engineering, Finance, Information Services, Maintenance, Operations & Laboratory, and Personnel Services. All employees are overseen by a General Manager who is appointed by the Board of Directors. The District has an annual operating and capital budget of approximately \$18,000,000, with appropriate reserves established for future capital projects.

3 Qualifying Requirements

- The bank must be a federal or State of California chartered banking institution. The bank must have experience providing services to local governments.
- The bank must be a qualified public depository, as defined by California Government Code Section 53630, and must perform its obligation under this proposal in compliance with all applicable federal and state laws and regulations, statutes, and policies. In addition, the bank must be FDIC insured and be in good standing. This would include, but is not limited to, the

ability to collateralize all collected balances, in excess of balances insured by the FDIC, as required by Sections 53630 et. seq. of the California Government Code.

- The District prefers a bank that is a member of the Federal Reserve System. A bank that is not a member of the system must identify its corresponding member bank.
- The bank selected to perform banking services shall maintain a capital structure equal or greater than the average of all money the District has with the bank pursuant to California Government Code Section 53638.
- The bank must have a relationship with the State Treasurer as an approved depository for Local Agency Investment Fund (LAIF) transactions or provide a process for transferring funds to/from LAIF that is equivalent to that of an approved depository.
- The bank must be a full-service bank whose performance has been reliable and whose references are outstanding.
- The statement period must be from the first to last day of each month.

4 Scope of Services

The District is seeking solutions for the service areas below.

- Depository Services
- Remote Deposit Services
- Sweep Account
- ACH, Wire, and Other Transfer Services
 - Payroll direct deposit
 - ACH draft file for customer payments
 - ACH vendor payments
 - Incoming and outgoing domestic wire transfers
- Online Banking
- Fraud Protection
 - ACH pre-authorized transactions
 - Positive pay transactions
 - Credit card transactions
- Credit Card Program
- Federal and Payroll Tax Payment Processing

5 Proposal Submission Requirements

5.1 General Instructions

Proposals should provide a straightforward, concise description of the Proposer's company, qualifications, proposed solution, and capabilities and must be organized in a manner consistent with the outline provided in this section.

5.2 Proposal Format and Content

Proposals must be structured, presented, and labeled in the following manner:

- Cover Letter
- Table of Contents
- Tab 1 – Executive Summary
- Tab 2 – Bank Background
- Tab 3 – Bank Qualifications
- Tab 4 – References
- Tab 5 – Proposed Services
- Tab 6 – Pricing
- Tab 7 – Transition Approach and Plan
- Tab 8 – Exhibits

Cover Letter

The proposal must include a cover letter that provides at least the following:

- Proposer's legal name and corporate structure
- Primary business address where the banking relationship will be managed
- Proposer's primary contact information, including name, address, phone, and email
- Statement indicating that the proposal is valid for at least 120 days
- Disclosure of potential conflicts of interest. A conflict of interest can exist when an employee of the Proposer has a family or financial relationship with an employee of the District.
- Signature of a company officer empowered to bind the Proposer to the provisions of this RFP and any contract awarded pursuant to it

Table of Contents

All pages are to be numbered and figures, tables, charts, etc. must be assigned index numbers and identified in the Table of Contents.

Tab 1 – Executive Summary

This section should provide a concise synopsis of the proposal and a description of the Proposer’s credentials to deliver the products and services described in this RFP.

Tab 2 – Bank Background

This section of the proposal should include the following:

- A brief description of the company background and organizational history
- A list of all parent or subsidiary companies
- Overview of the bank’s operations, management, customer service philosophies, and financial strength
- Overview of the bank’s collateralization policies, including information on held-to-maturity and available-for-sale securities.
- Additional literature and product brochures (optional)

Tab 3 – Bank Qualifications

This section should address the following:

- Experience: Describe the bank’s experience servicing California public sector clients
- Relationship Management: Identify the size and scope of your California-based public banking unit including an outline of the roles and responsibilities of each member of the relationship management team
- Client Support: An overview of the bank’s client support organization including hours of operation

Tab 4 – References

The proposer must provide at least five references, which should include other public agencies of a similar size and complexity to the District. Please include a mix of long-standing and newer clients. For each reference, the Proposer must provide the following information:

- Agency name and contact information (name, title, address, and email)
- List of banking services used

Tab 5 – Proposed Services

In this section, provide a summary of your bank’s offerings for each of the service areas listed in Section 4 – Scope of Services. For each service area, please describe what differentiates your

organization's services from others. Additionally, please address the specific questions and topics below.

General Questions

1. How is the bank's earnings credit rate (ECR) determined, adjusted, and applied? Please include in the explanation the impact of the bank's reserve requirement and the formula for converting service charges to balance requirements. List the bank's ECR for the past twelve months.
2. How is the charge for FDIC insurance calculated ?
3. Describe the bank's disaster recovery plan. How quickly will back-up facilities be activated? Describe the bank's operating capabilities to assist the District in the event of a disaster or declared emergency.

Depository Services

1. What is the deadline for same-day credit of deposits?
2. How do you determine and calculate availability of deposited funds? Do you calculate availability by item or formula? If there are corrections or adjustments, how would MCWD be notified?
3. Please describe the bank's returned item handling and notification procedures. Can returned items for insufficient or uncollectable funds be re-deposited? How would the district be notified of returned items?

Remote Deposit Services

1. Can the bank accept and process a check file generated by RemitPlus, or would MCWD be required to utilize the bank's scanning software and scanner?

Sweep Account

1. Describe the interest-bearing account used for the sweep account, including collateralization and/or insurance.
2. What interest rate has been paid on the sweep account for the last 12 months?
3. Describe the daily process to transfer between the sweep account and the transaction account.

ACH, Wire, and Other Transfer Services

1. Is the bank both a sending and receiving bank of the National Automated Clearing House (NACHA)?
2. Can the bank accept and process ACH (i.e., payroll and AP payments) files generated by Tyler ERP Pro 10?
3. Can the bank accept and process a utility billing customer draft file generated by ERP Pro 10?
4. List your cutoff times for same- and next-day EFTs (e.g., wire transfers, ACH payments)? How soon after the bank receives incoming funds or notification of incoming funds would the funds be available to the District?
5. How and when would MCWD receive confirmation that the bank received an electronic payment file?
6. How and when is MCWD notified of problems with payment files? Would we have the ability to delete or re-send problem files?
7. How are returned or rejected ACH transactions handled? What information does the bank provide to assist in the identification of such items?
8. What is the process for initiating wire transfers. What are the cutoff times? Is dual authorization available?
9. Describe the ability to store recurring and future-dated wire instructions/templates including maximum retention period for future-dated transactions.
10. Describe the bank's procedure for providing payment confirmation upon acceptance and execution of wire transfer requests. If a wire transfer fails, how and when would the District be notified?
11. Please describe the LAIF transfer process.

Online Banking

1. Are transactions available to view online in real-time?
2. Are account analysis reports available online? If so, when do they become available?
3. How many days after month-end would MCWD be able to view its bank statements online?
4. Are images of cleared checks (front and back) available? For how long?
5. Are reports customizable?
6. What is the bank's contingency plan for providing this information in the event of an unexpected bank system problem or natural disaster?

Fraud Protection

1. Describe the bank's positive pay capabilities.
2. Describe the bank's online stop payment, void, and cancellation services and features.
3. How is liability for fraudulent deposit items determined?

4. If the bank provides ACH debit blocking, what level of filtering can be applied?
5. Does the bank offer ACH positive pay (decisioning on unidentified ACH transactions)?

Credit Card Program

1. Describe your online card management system.
2. What is the settlement deadline and what are the billing cycle options?
3. What monthly reconciliation reports are available?
4. Describe payment methods.
5. Describe card control and usage restriction options.
6. Describe any security features, including account number encryption policy.
7. How are fraudulent purchases handled?
8. Can the bank provide a detailed transaction file compatible with Tyler ERP Pro 10?

Federal and California Payroll Tax Payment Processing

1. Describe your process for submitting Federal and California payroll taxes.

Tab 6 – Pricing

Utilizing the Excel spreadsheet in Appendix A, please provide all costs associated with the transition and ongoing fixed and per-transaction costs associated with the proposed services. Fees related to all services described in the proposal must be listed on this worksheet.

Please also list and provide pricing for optional available services that fall outside of the stated Scope of Services in Section 4.

Tab 7 – Transition Approach and Plan

This section should clearly identify each phase, the timeline proposed, and the roles and responsibilities to be performed by the Proposer and those to be performed by the District. This section should include:

- A description of the transition and project management methodology and approach
- A project organization chart highlighting the key staff who will be assigned to the project and background information on the project manager and other key assigned resources
- Recommended project phasing and a transition schedule
- A list and description all transition deliverables and documentation that will be provided
- An outline of the roles and responsibilities of District staff during the transition
- Training, testing, and deployment plans

Tab 8 – Exhibits

- Agreement or contract documents
- Samples of standard online reports and statements
- Disclosures of litigation or investigations currently being conducted on your bank by state or federal bank regulators, the Attorney General’s Office, consumer protection agencies, etc.
- Most recently audited financial statements as well as current rating from a nationally recognized statistical rating organization and Bauer Financial ratings

6 Proposal Evaluation

An Evaluation Committee will review all proposals to determine which Proposers have qualified for consideration. Proposals will be initially reviewed to verify that the submission conforms to stated specifications. The committee will not evaluate any responses that significantly deviate from the basic intent and/or fail to satisfy the mandatory requirements.

Submitted proposals will be evaluated based on the following criteria:

- Ability to meet the needs of the District
- Quality and clarity of the proposal
- Anticipated value and price
- Online banking functionality
- Adequacy of financial controls and protections against loss
- Company strength and financial stability
- Well thought-out timeline and roadmap for transition
- References
- Experience with the unique needs of California public agencies
- Opportunities for added operational efficiencies and automation

7 RFP Terms and Conditions**Collusion**

By submitting a response to the RFP, each Proposer represents and warrants that its response is genuine and not made in the interest of or on behalf of any person not named therein; that the Proposer has not directly induced or solicited any other person to submit a sham response or any other person to refrain from submitting a response; and that the Proposer has not in any manner sought collusion to secure any improper advantage over any other person submitting a response.

Gratuities

No person will offer, give or agree to give any District employee or its representatives any gratuity or offer of employment in connection with the award of contract by the District. No District employee or its representatives will solicit, demand, accept or agree to accept from any other person a gratuity or offer of employment in connection with a District contract.

Required Review and Waiver of Protests

Proposers should carefully review this RFP and all attachments for comments, questions, defects, objections, or any other matter requiring clarification or correction (collectively called “comments”). Comments concerning RFP objections must be made in writing and received by the District no later than January 24, 2024, as detailed in Section 1.2 – RFP Timeline. This will allow issuance of any necessary amendments and help prevent the opening of defective proposals upon which contract award could not be made.

Protests based on any objection will be considered waived and invalid if these faults have not been brought to the attention of the District, in writing, by the deadline for Vendor Questions and Comments.

Proposal Withdrawal, Errors, and Amendment

To withdraw a proposal, the Proposer must submit a written request, signed by an authorized representative, to the RFP Coordinator. After withdrawing a previously submitted proposal, the Proposer may submit another proposal at any time up to the deadline for submitting proposals. Proposers are liable for all errors or omissions contained in their proposals. Proposers will not be allowed to alter proposal documents after the deadline for submitting a proposal.

The District will not accept any amendments, revisions, or alterations to proposals after the deadline for proposal submittal unless such is formally requested, in writing, by the District.

Incorrect Proposal Information

If the District determines that a Proposer has provided, for consideration in the evaluation process or contract negotiations, incorrect information which the Proposer knew or should have known was materially incorrect, that proposal will be determined non-responsive, and the proposal will be rejected.

Conflict of Interest and Proposal Restrictions

By submitting a response to the RFP, the Proposer certifies that no amount will be paid directly or indirectly to an employee or official of the District as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Proposer in connection with the procurement under this RFP.

Contract Negotiations and Execution

After a review of the proposals and completion of the proof of capabilities, the District intends to enter into contract negotiations with the selected Proposer. These negotiations could include all aspects of services and fees. If a contract is not finalized in a reasonable period of time, the District will open negotiations with the next ranked service provider.

If a Proposer indicates an offer of services in addition to those required by and described in this RFP, these additional services may be added to the contract before contract signing at the sole discretion of the District.

If the selected Proposer does not execute a contract with the District within thirty (30) days after notification of selection, the District may give notice to that service provider of the District's intent to select from the remaining Proposers or to call for new proposals, whichever the District deems appropriate.

Right of Rejection

The District reserves the right, at its sole discretion, to reject any and all proposals or to cancel this RFP in its entirety. Any proposal received that does not meet the requirements of this RFP may be considered to be nonresponsive, and the proposal may be rejected. Proposers must comply with all of the terms of this RFP and all applicable State laws and regulations. The District may reject any proposal that does not comply with all of the terms, conditions, and performance requirements of this RFP.

Proposers may not restrict the rights of the District or otherwise qualify their proposals. If a Proposer does so, the District may determine the proposal to be a nonresponsive counteroffer, and the proposal may be rejected.

The District reserves the right, at its sole discretion, to waive variances in technical proposals provided such action is in the best interest of the District. Where the District waives minor variances in proposals, such waiver does not modify the RFP requirements or excuse the Proposer from full

compliance with the RFP. Notwithstanding any minor variance, the District may hold any Proposer to strict compliance with the RFP.

Disclosure of Proposal Contents

All proposals and other materials submitted in response to this RFP procurement process become the property of the District. Selection or rejection of a proposal does not affect this right. All proposal information, including detailed price and cost information, will be held in confidence during the evaluation process. Upon the completion of the evaluation of proposals, the proposals and associated materials will be open for review by the public to the extent allowed by the California Public Records Act. By submitting a proposal, the Proposer acknowledges and accepts that the contents of the proposal and associated documents will become open to public inspection.

Severability

If any provision of this RFP is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and the rights and obligations of the District and Proposers will be construed and enforced as if the RFP did not contain the particular provision held to be invalid.

Rights of the District

The District reserves the right to:

- Make the selection based on its sole discretion
- Reject any and all proposals
- Issue subsequent Requests for Proposals
- Postpone opening proposals, if necessary, for any reason
- Remedy errors in the Request for Proposal process
- Negotiate with any, all, or none of the Proposers
- Accept other than the lowest offer
- Waive informalities and irregularities in the proposals
- Enter into an agreement with another Proposer in the event the originally selected Proposer defaults or fails to execute an agreement with the District

An agreement will not be binding or valid with the District unless and until it is executed by authorized representatives of the District and of the Proposer.

Appendix A – Proposed Services Pricing Worksheet

For Tab 6 of the response, Proposers must complete the Appendix A – Pricing Worksheet.xlsx file. Please adhere to the pricing template as much as possible.

The completed Appendix A – Pricing Worksheet file must be included as an Excel file on the electronic version of the Proposal that is due by February 14, 2024 at 4:00 pm PST.