

CITY OF MONTGOMERY, TEXAS



**REQUEST FOR PROPOSAL
BANK DEPOSITORY CONTRACT**

JUNE 20, 2024 (TENTATIVE)

**101 OLD PLANTERSVILLE RD
MONTGOMERY, TX 77316
(936) 597-4491**

I. INTRODUCTION

A. Summary of the Request for Proposal

The City of Montgomery (the “City”) is seeking applications from eligible financial institutions to be the banking service depository. This includes the basic services of receiving deposits, paying items, sending wired funds, receiving wired funds, stop payments, and other normal business banking activities.

Financial institutions (“banks”) desiring to respond to this RFP should bear in mind that the City wishes to pursue an aggressive cash management and investment program. Further, the City views maximized investment interest as a viable and material revenue to all funds. The City's cash management policy shall be designed and managed in a manner responsive to the public trust and consistent with State and local law.

This Request for Proposal, or “RFP” is intended to serve as the bid form for the depository agreement. There are several schedules to complete and questions to be answered. The depository contract shall be prepared based on the bidder’s response to the RFP. All points outlined and materials requested should be incorporated into the bidders’ reply to be considered for evaluation. Attachments will be appropriate in order to provide some of the requested information.

B. Contract Terms

The contract period will be for three (3) years beginning August 1, 2024 and ending July 31, 2027, or thereafter until a successor Financial Institution has been selected. The original contract may be extended for 2 years in 1 year increments. This would require written agreement by both parties, and include that the original contract is not to exceed five (5) years upon which time a required request for services will be necessary. Should the contract be extended, the original terms and conditions will apply, plus any approved changes, and either party can terminate the contract if desired upon providing ninety (90) days written notice to the other party.

Upon termination of this contract, all finished or unfinished documents or reports prepared by the bank at the option of the City will become the property of the City.

C. Timeline

The issue date of this RFP is June 20, 2024. Please submit all questions to Maryann Carl at mcarl@ci.montgomery.tx.us by July 1st. Proposals should be returned in sufficient time so as to be received on or before:

2:00 PM, JULY 10, 2024

It is the bank’s responsibility to ensure that it has received any and all addenda related to the proposal. It shall be the sole responsibility of the respondent to ensure that its proposal is received by the Finance Department within the time limit indicated. The proposal must include a statement that it is valid for a minimum period of 60 days subsequent to July 10, 2024. **Late proposals will not be considered.**

The contract will be awarded at the Tuesday, July 23, 2024, Regular City Council Meeting.

D. Objectives of the Proposal

At the outset, the City wishes to communicate the primary objectives of the depository RFP, an important component of the overall cash management program of the City of Montgomery:

1. To seek a bank capable of providing banking services and willing to be attentive and responsive to the City’s money matters;

2. To seek a bank that meets the legal qualifications and the terms and conditions specified in this Request for Proposal;
3. To develop a foundation for a good working relationship with the depository bank that will enable us to better serve the citizens of Montgomery; and
4. To adequately compensate the depository bank for services provided.

E. City Account Information

The City intends to initially establish the following bank accounts. Other accounts may be set up as needed during the term of the contract.

Account Name:	Type:
1. Operating Account (1)	Demand Deposit Account (Master Account)
2. Escrow Account (1)	Demand Deposit Account

Operating Account - serves as the City’s master account into which all normal deposits will be made and the majority of the disbursements are made. This account will receive all the City’s deposits, including utility bill payments, including those received through ACH draft, court fines, permits, and property taxes. The City is in process of restructuring its accounts and is moving away from several individual accounts. During the twelve-month period of May 2023 to April 2024, monthly averages for amount and number of deposits for all accounts being combined were \$ _____ and _____, and average monthly disbursements were \$ _____ and _____. Approximately _____ checks per month are written for operations. Deposited items returned unpaid for NSF and other reasons are charged back to this account. Electronic funds transfers and investment security clearance and safekeeping activities are processed through this account.

The bank must have the capability of receiving and sending wire transfers, ACH transfers and direct deposits through this account. It will require daily balance reporting through a cash management program that is user friendly and accessible via a personal computer. At this time, about 280 out of approximately 1,100 utility customers are utilizing ACH draft for payment.

Escrow Account – The City currently has one developer escrow account. This account has very limited activity which consists of transfers to the operating account.

Investment Account - The City is interested in maintaining an investment account locally. If an arrangement can be made to set up a sweep account in conjunction with the operating account so the City can maximize the interest earnings on available cash, that would be the most desirable scenario.

The City reserves the right to open or close any number or type of accounts as it deems necessary through the term of the Depository Services Contract. Any services not listed, but later requested by the City, will be charged for a mutually agreed upon fee. Fees bid are fixed for the entire contract period.

II. SCOPE

A. General Description of Services

Depository services to be provided, including estimated monthly volumes based on the average of actual transactions from May 2023 through April 2024, are listed on Proposal Form I (Appendix A), which must be completed by the respondent. The following identifies the City's service requirements. Please attach copies of sample reports and separate agreements that apply to each service, if applicable.

1. Internet-based On-line Reporting System

The City requires an internet based on-line reporting system that provides the daily ending ledger and collected balances from the prior day for all accounts, one- and two-day float amounts, a detail of the prior day's debit and credit transactions, and current day debit and credit transactions.

2. Internet-based On-line Transaction Initiation

The internet banking system must allow for the initiation and verification of Fed wire transfers, ACH transactions, intra-bank transfers, and stop payments. Wire and ACH transfers will include repetitive and non-repetitive transactions. The system must include user-defined security requirements.

The option to initiate Fed wire transfers, ACH transactions, intra-bank transfers, and stop payments via telephone or by email (including the security of secondary telephone verification) is required in the event of emergency operations.

3. Incoming Wire Transfers

The City shall receive immediate credit for all incoming wire transfers. The Bank shall give both ledger and collected credit for incoming wire transfers on the day of receipt regardless of the time the Bank receives the transfer through the Fed wire system.

4. Deposit Processing

The processing of all cash and check deposits shall include encoding service, same day credit for deposits presented during business hours, clearing returned items twice, and return of stamped duplicate deposit slips to the City within one business day of the deposit.

The Bank will notify the City as soon as possible about any deposit adjustments and will e-mail to the City a copy of deposit adjustments, including supporting detail, prior to posting.

5. Payroll Processing

The City process payroll through an ACH debit bi-weekly with approximately 40 payments.

6. Direct Debit of Customer Accounts

The City offers its utility customers a direct debit payment option for utility charges. Currently, about 280 customers (or 25%) use this payment method. These direct debit payments are processed via ACH collection and average approximately \$47,000 per month.

7. Bank Statements

The City requires a bank statement for each account within five (5) business days after the close of the calendar month. All paid items should be listed in serial sequence. Statements should include transaction activity through the last day of the period. For each account, the Bank shall furnish imaged copies of checks and deposits in numerical order. These statements must be available to the City via secure internet link.

8. Account Analysis Statements

The City requires a monthly account analysis statement which must be available to the City via secure

internet link. The account analysis statement should report average ledger balances, average collected balances, legal reserve requirement, investable balances, earnings credit rate and amount, and balances required to offset fees. Each billable service should be listed and should include volume, unit price, and total price. All fees for which the Bank expects compensation should be included in the account analysis statement.

9. Positive Pay

The City requires positive pay with a three-way match (check number, payee, and check amount). A payment file with the required matching information will be uploaded to the Bank via secure internet link.

10. ACH Payments

The City requires the ability to pay its vendors via ACH by uploading a file to the Bank via secure internet link.

11. Merchant Services

Currently the City accepts credit card payments at Municipal Court, and Utility Billing. At present, the City's merchant service account is not handled at the depository Bank, and the City reserves the right to maintain these services at a merchant other than the depository Bank.

12. Overdrafts

The City makes every effort to avoid an overdraft position on any of its accounts. However, in the event a check or checks are presented for payment on any City account with insufficient funds, the City will require the Bank to pay said check and promptly notify the City's designated representative(s) of the overdraft position. The City agrees to cover the overdraft within a maximum of one (1) business day. The City will expect the Bank to view all City accounts together for applying charges on overdrawn collected balances.

13. Investments

The City manages its own investment portfolio and reserves the right to withdraw, from time to time, any amount of funds on deposit in any City account for investment in accordance with the City's Investment Policy.

B. Exceptions

1. Exceptions, conditions, or qualifications to the provisions of the City's specifications or requirements must be clearly identified and included in the submitted proposal.
2. An explanation as to why the exception, condition, or qualification is necessary should be provided. Any alternate language proposed by the respondent should be clearly stated in the proposal submission.

C. Collateral Requirements

1. Depository Pledge Agreement

As security for the deposits of the City, the bank shall pledge to the City securities equal to 102% of their market or par value, whichever is lower, of the largest total balances the City maintains in the bank, less the amount provided by the Federal Deposit Insurance Corporation (FDIC) within 5 days after execution of this Agreement. These aggregate balances are estimated not to exceed \$5,000,000. The securities comprising of the pledge shall be calculated using market value or book value whichever is lower. The securities pledged shall satisfy statutory requirements and the City's Investment Policy.

- **Release of Collateral** - No collateral will be withdrawn, released or substituted without the prior written consent of the City's Director of Finance. The City will release collateral only if it is satisfied that such collateral is not needed as security for the City's deposits.
2. **Third Party Safekeeping** - Original safekeeping receipts from the third-party trustee/custodial Financial Institution for all securities pledged to City pursuant to Depository Agreement will be provided to the City. It is understood and agreed upon that the City will have a first and prior lien upon all securities which are pledged to City.
- **Safekeeping Receipts** - In order to collateralize additional City deposits in excess of collateral then pledged to City, original safekeeping receipt (see above) and the market value of additional securities pledged to City shall be provided to the City within five business days of such additional deposit.
 - **Monthly Report** - A monthly listing of all securities pledged to City showing complete security description, face value, market value and safekeeping receipt number is required; such listing to be provided no later than five business days following the last of each month.

D. Direct Fees for Services Provided

1. The City desires an equitable reimbursement arrangement for depository services and prefers a fee basis for services provided with an offsetting earnings credit on available balances. The monthly account analysis statement will be considered an invoice and monitored accordingly. The Bank shall calculate the total monthly service costs for all accounts and the total monthly earnings credit for all accounts on the account analysis statement. Credit shall be given to the City based on the group of account balances rather than on any single account balance. The City prefers an annual earnings credit settlement where excess earnings credits may be carried forward from month-to-month up until the annual settlement versus a monthly earnings credit settlement.
2. **Proposal Form I (Appendix A)** lists all depository services presently anticipated. The volumes indicated are estimates and subject to change. Should the City request any service not presently included on Proposal Form I, the Bank's unit price for the service shall not exceed the Bank's price published at the time said service is added.
3. Please provide an explanation of the policy and methodology used in setting rates paid on interest bearing accounts including the basis for the rate calculation (T-Bill, Fed Funds, etc.) and the frequency of rate changes.

D. Other Stipulations

1. The Bank shall notify the City in writing within ten (10) days of any changes in Federal or State regulations or laws that would thereafter affect the depository agreement.
2. The Bank shall notify the City of any new services that become available during the contract period.
3. The City reserves the right to negotiate all elements that comprise the proposal to ensure that the best possible consideration be afforded all concerned. The City reserves the right to reject any and all proposals and to re-solicit for proposals in such event.
4. The Bank's records relating to City accounts shall be open to review by authorized City representatives. With prior written approval from the City, the City's appointed independent auditors may review the Bank's records relating to all City accounts. Any review of these records will be conducted during normal business hours. Access will not be unreasonably requested, nor should it be

unreasonably withheld.

5. The Bank shall respond timely to confirmation requests made by the City's appointed independent auditors.
6. The Bank's records of City transactions will be considered public records pursuant to the *Texas Public Information Act*.
7. The City requires a review meeting with the Bank's designated liaison at least once annually, or as requested, to evaluate the working relationship between the City and the Bank and to address any problems that may arise.
8. The Bank shall be responsible for training and communicating the terms of this contract to its employees.

III. EVALUATION

A. Evaluation Criteria

Award of the contract shall be made to the Bank whose proposal is considered the most advantageous and best value for the City, taking into consideration the Bank's knowledge and experience in municipal banking and the relative importance of the evaluation criteria listed below.

Evaluation Criteria:

- The terms and conditions for the performance of depository services, including the type and cost of services to be provided to the City.
- The cost-effectiveness of the depository services as reflected in the estimated cost of depository services and the earnings credit.
- The Bank's ability to provide the depository services requested by the City (the comprehensiveness of banking services available).
- The Bank's ability to provide the City with prompt, flexible, and efficient services. Considerations may include an assessment of the adequacy of the organization, facilities, equipment, and personnel, as these may impact the Bank's ability to provide prompt and efficient services.
- The Bank's financial viability.
- The Bank's experience and success in providing depository services to similar public entities as substantiated by references provided.
- The Bank's customer service as substantiated by references provided.
- The location of the nearest branch of the Bank.
- The services offered at the nearest branch of the Bank.
- The Bank's experience working with the City.

B. Proposal Review

Your response to this RFP will be reviewed and evaluated by City staff, which may include the Finance Director, City Administrator, Assistant City Administrator, City Secretary, and/or other staff members.

Based on these reviews and evaluations, City staff will forward a recommendation to the City Council for

final consideration.

IV. SUBMITTAL INFORMATION

RFP Procedural and Content Questions (Requests for Clarification)

Proposers may identify errors, omissions, or ambiguities in the RFP. If so, or if there are doubts or concerns about the meaning of any part of this RFP, **requests for clarification should be submitted in writing by email to Maryann Carl, Finance Director, at mcarl@ci.montgomery.tx.us by 12:00 p.m. CST on Monday, July 1, 2024.** Emailed requests for clarification must include "RFP 24- [REDACTED]" in the email subject line.

Addenda will be issued to address any submitted requests for clarification along with any changes to the RFP due to these clarifications. Addenda become a part of this RFP. The issuance of a written addendum is the only official method whereby interpretation, clarification, correction, or additional information can be given. It shall be each proposer's responsibility, prior to submitting a proposal, to visit the City's website at [REDACTED] to determine if addenda were issued.

Submission

Interested parties wishing to submit a proposal must submit an RFP package consisting of one (1) unbound original, three (3) bound duplicates, and one (1) electronic copy of the proposal and related documents. The electronic copy shall be in PDF format provided on a USB compatible flash drive. Submittals shall be delivered in a sealed envelope with the proposing Bank's name and address written on it.

Submittals must be delivered to Montgomery City Hall located at 101 Old Plantersville Road, Montgomery, Texas 77316 no later than 2:00 p.m. CST on Wednesday, July 10, 2024. If using a delivery service, please allow adequate time for unanticipated delays because proposals received after the 2:00 p.m. July 10, 2024, deadline will not be considered. It is the proposer's responsibility to ensure their proposal is received by the City before the deadline.

Submittals shall be addressed:

"DO NOT OPEN"
RFP No. 24- [REDACTED] Enclosed
Depository Services

Finance Director at Montgomery City Hall
101 Old Plantersville Road
Montgomery, Texas 77316

All proposals will be publicly opened and the names of all proposers submitting a proposal will be read aloud on July 10, 2024, at 2:00 p.m., CST, or shortly thereafter at City Hall, 101 Old Plantersville Road, Montgomery, Texas 77316. The City assumes no responsibility for the premature opening of a proposal not properly addressed and identified, and/or delivered to the wrong address.

Late Submittals

Proposals received after the time and date specified in this RFP are late and shall be deemed non-responsive and will be eliminated from consideration.

Rejection Of Proposals/Cancellation

The City reserves the right to reject all submittals and reserves the right to waive any irregularities or informalities in any submittal or in the submittal procedure, when to do so would be to the advantage of the City. The City reserves the right to cancel this RFP at any time.

Minimum RFP Acceptance Period

Proposals may not be withdrawn for a period of 60 days from the date specified for receipt of submittals.

Non-Collusion

By submitting a response to this RFP, the proposer represents and warrants that its proposal is genuine and not a sham or collusive or made in the interest or in behalf of any person not therein named and that the proposer has not directly or indirectly induced or solicited any other proposer to put in a sham proposal, or any other person, firm or corporation to refrain from submitting and that the proposer has not in any manner sought by collusion to secure to that proposer any advantage over any other proposer. By submitting a proposal, the proposer represents and warrants that no official or employee of the City has, in any manner, an interest, directly or indirectly in the proposal or in the contract which may be made under it, or in any expected profits to arise there from.

Taxes

The City is tax exempt. No sales tax will be charged on any products or services provided by the Bank to the City.

Disclosure of Proposal Contents

All documents submitted in response to this RFP shall become the property of the City and subject to the Texas Public Information Act (TPIA).

Proposals will be handled in a manner that avoids disclosure of the contents to competing proposers and keeps the proposals secret during evaluation. All proposals are open for public inspection after the contract(s) are awarded; however, trade secrets and confidential information in the proposals are not open for public inspection. It is specifically provided, however, that each proposer must identify any information contained in its proposal which it asserts is either a trade secret or confidential information. Such material must be conspicuously identified by marking each page containing such information as "confidential" or "proprietary". If such material is not conspicuously identified, then by submitting its proposal, a proposer agrees that such material is considered public information.

Throughout the duration of the procurement process and resulting contract term, proposer must secure from the City written approval prior to the release of any information that pertains to services or activities covered by the RFP or the resulting contract. Failure to adhere to this requirement may result in disqualification of the proposer's proposal or termination of the contract.

Proposal Format and Content

The proposal should conform to the required format prescribed below.

- TAB A Cover Letter** – Briefly describe the Bank's experience in providing depository services to Texas public sector clients. Include the name and address of the proposing Bank and the name and contact information (telephone number and email address) for the individual(s) authorized to answer technical, price, and/or contract questions. The cover letter must state that the proposal may not be withdrawn prior to September 10, 2024, and it must be signed by a person authorized to contractually bind the Bank.
- TAB B Completed Proposal Form 1 (Bank Services Pricing)** - Complete Proposal Form 1 reflecting applicable fees and charges for the services requested. This form should be completed for unit pricing or flat rate charges. Total charges should also be calculated for each service based on the estimated service volumes included on the form. The Bank may include the cost of any services not listed on Proposal Form 1 that the Bank determines are appropriate to be included and which would be included in its pricing.
- TAB C Completed Proposal Form 2 (Financial Institution Questionnaire)** - Complete the Financial Institution Questionnaire and include attachments, as needed, to complete each question.
- TAB D Completed Proposal Form 3 (Request for Additional Information)** - Provide any information concerning the bank service requirements listed on Proposal Form 1 or information on any additional services which you offer which are not listed on Proposal Form 1 which you think is pertinent. If providing information on services not listed on Proposal Form I, please provide per unit pricing.
- TAB E Completed Proposal Form 4 (Certification)**
- TAB F Completed Proposal Form 5 (References)** - Complete Proposal Form 5 by providing references for

three (3) Texas public sector clients currently served by your Bank.

TAB G **Completed Proposal Form 6 (Proposer Information Form)**

TAB H **Completed Proposal Form 7 (Affidavit of Ownership or Control)**

TAB I **Completed Proposal Form 8 (Conflict of Interest Questionnaire)**

TAB J **Completed Proposal Form 9 (House Bill 89, 85th Legislature Verification)**

TAB K **Completed Proposal Form 10 (House Bill 13, 87th Legislature Verification)**

TAB L **Completed Proposal Form 11 (House Bill 19, 87th Legislature Verification)**

TAB M **Earnings Credit** - Provide the earnings credit rate and any pertinent information that explains the application of the earnings credit. Specifically state the settlement period – monthly, annually, etc.

TAB N **Please Provide Samples of the Following:**

- Bank Statement
- Account Analysis Statement
- Daily Balance and Account Activity Reports
- Monthly Pledged Collateral Report
- Depository Agreement
- Depository Pledge/Custody Agreement
- Tri-Party Safekeeping Agreement
- Funds Transfer Agreement
- Armored Car Service Agreement
- Any other required agreements

TAB O **Financial Information** - Provide the most recent annual audited financial statements along with the two (2) most recent quarterly FDIC Call Reports.

TAB P **W-9** - Provide a current W-9 for the Bank.

TAB Q **Additional Information** - Provide any additional information not previously specified which the Bank considers essential to the proposal.

TAB R **Addenda** - If applicable, please include any items requested via addenda.

GENERAL TERMS AND CONDITIONS

Negotiations

Negotiations may be conducted with any Bank whose submission would have a reasonable expectation for selection based on all the criteria set forth in this RFP. The Bank(s) may be given an opportunity to make a presentation to and/or interview with City staff. Following any presentations or interviews, Banks would be ranked in order of preference and contract negotiations would begin with the highest ranked Bank. Should negotiations with the highest ranked Bank fail to yield a contract, or if the highest ranked Bank is unable to execute said contract, negotiations would be formally ended and negotiations would then commence with the second highest ranked Bank, etc.

Disclosure

At the public opening, there will be no disclosure of contents to the respondents, and all proposals will be kept confidential during the evaluation and negotiation process. Except for trade secrets and confidential information which the Bank identifies as proprietary, all proposals will be available for public inspection after the contract award, in accordance with the Texas Public Information Act.

Addenda

If it becomes necessary to change the published RFP documents, all the foregoing terms and conditions and all performance requirements will apply to the published addenda. All published addenda must be signed and included with the proposal as acknowledgement of the addenda. Any changes will be provided to all known and interested proposers simultaneously; however, each proposer is responsible for obtaining all published addenda from the City or by downloading these documents from the City's website. Visit the City's website at [REDACTED] to determine if addenda were issued and to download any such addenda. The City assumes no responsibility for any proposer's failure to obtain and/or properly submit addenda. Failure to acknowledge and submit addenda may be cause for the proposal to be rejected. The City's decision to accept or reject any proposal due to a failure to acknowledge and submit addenda will be final.

City Contact Information

All statements should be sent to:

City of Montgomery, Attention: Finance Director, 101 Old Plantersville Rd, Montgomery, TX 77316.

All invoices shall be sent to:

City of Montgomery, Attention: Accounts Payable, 101 Old Plantersville Rd, Montgomery, TX 77316, or emailed to AP@ci.montgomery.tx.us.

Procedures and Miscellaneous Items

All respondents to this RFP shall indemnify and hold harmless the City, and any of their employees from all suits and claims alleged to be a result of this RFP. The issuance of this RFP constitutes only an invitation to present a proposal. The City reserves the right to determine, at its sole discretion, whether any aspect of a respondent's submittal meets the criteria in this RFP. The City also reserves the right to seek clarifications, to negotiate with any vendor submitting a response, to reject any or all responses with or without cause, and to modify the procurement process and schedule. If this RFP is withdrawn or the project canceled for any reason, the City shall have no liability to any respondent for any costs or expenses incurred in connection with this RFP or otherwise.

Failure to submit all the mandatory forms from this RFP package shall be just cause for the rejection of the proposal. However, the City reserves the right to decide, on a case-by-case basis, in its sole discretion, whether to reject such a proposal as non-responsive.

The Vendor shall comply with applicable federal, state, and local laws and regulations.

Conflict of Interest Questionnaire

Proposer agrees to comply with Chapter 176 of the Texas Local Government Code which requires a person who enters or seeks to enter a contract with the City to file a Conflict-of-Interest Questionnaire Form (Form CIQ) with the proposal.

Form 1295 “Certificate of Interested Parties”

Proposer must comply with Government Code Section 2252.908 and submit Form 1295 “Certificate of Interested Parties” upon notification that proposer has been recommended for award. Form 1295 requires disclosure of “interested parties” with respect to entities that enter contracts with cities. These interested parties include:

- A. persons with a “controlling interest” in the entity, which includes:
 - 1. an ownership interest or participating interest in a business entity by virtue of units, percentage, shares, stock, or otherwise that exceeds ten (10) percent;
 - 2. membership on the board of directors or other governing body of a business entity of which the board or other governing body is composed of not more than ten (10) members; or
 - 3. service as an officer of a business entity that has four (4) or fewer officers, or service as one (1) of the four (4) officers most highly compensated by a business entity that has more than four (4) officers; or

- B. a person who actively participates in facilitating a contract or negotiating the terms of a contract with a governmental entity or state agency, including a broker, intermediary, adviser, or attorney for the business entity.

Form 1295 must be electronically filed with the Texas Ethics Commission at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm. The form must then be printed, signed, notarized, and filed with the City. For more information, please review the Texas Ethics Commission Rules at www.ethics.state.tx.us/rules/.

Proposer’s Ethical Behavior

By submission of its proposal, the proposer promises that proposer’s officers, employees, or agents will not attempt to lobby or influence a vote or recommendation related to the proposer’s proposal submitted in response to this RFP, directly or indirectly, through any contact with the City’s council members or other City officials between the date this RFP is released to the public and the date a Contract is awarded by the City. Such behavior will be cause for rejection of the proposer’s proposal at the discretion of the City.

Basic Safeguarding of Contractor Information Systems

The Contractor shall apply basic safeguarding requirements and procedures to protect the Contractor’s information systems whenever the information systems store, process, or transmit any information, not intended for public release, which is provided by or generated for the City. This requirement does not include information provided by the City to the public or simple transactional information, such as that necessary to process payments. These requirements and procedures shall include, at a minimum, the security control requirements “reflective of actions a prudent businessperson would employ” which are outlined in the Federal Acquisition Regulations FAR 52.204-21(b) and codified in the Code of Federal Regulations at 48 C.F.R. § 52.204-21(b) (2016).

Contractor shall include the substance of this clause in subcontracts under this contract (including subcontracts for the acquisition of commercial items other than commercially available off-the-shelf items) in which the subcontractor may have City Contract information residing in or transiting through its information system.

EXHIBIT A
CITY OF MONTGOMERY ACCOUNT
INFORMATION

DRAFT

**City of Montgomery
Account Information**

<u>Account Name</u>	<u>Account Type</u>
Master Account	Demand

Average Balances by Month

Month/Yr	Average Balance
AVERAGE	

APPENDIX 1
PROPOSAL FORM 1
BANK SERVICE REQUIREMENTS

DRAFT

**City of Montgomery
Request for Proposal – Depository Services
RFP 23-007**

**PROPOSAL FORM 1
BANK SERVICES PRICING**

From May 1, 2023 through April 30, 2024, the City utilized the following bank services. Unless otherwise indicated next to the Depository Services listed, numbers represent the average over the fiscal year.

Please include either the applicable unit pricing or rate, fixed monthly fees, and fixed annual fees in the following table, then include in the far-right column the total estimated annual fees associated with each service based on activity. See Exhibit A for the City’s average balances by month to calculate the estimated FDIC insurance assessment fee, if applicable. Please provide any explanatory comments you feel are necessary or helpful regarding the pricing information.

Depository Services	Annual Activity	Unit Price / Rate	Fixed Monthly Fees	Fixed Annual Fees	Estimated Total Annual Fees
Balance Based Services & Fees					
FDIC Insurance Assessment - % of Average Balance	n/a	%			\$
General Account Services					
Monthly Account Analysis Fee			\$		\$
Depository Services					
Credits Posted		\$			\$
Debits Posted		\$			\$
Items Deposited - On-Us		\$			\$
Items Deposited - Transit		\$			\$
Items Deposited - Chargeback		\$			\$
Redeposited Items		\$			\$
Monthly Account Maintenance Fee			\$		\$
ACH Credits Received		\$			\$
ACH Debits Received		\$			\$
Wire Transfer Services					
Incoming Wires		\$			\$
Domestic Wires Out		\$			\$
International Wires Out		\$			\$
Armored Truck Services					
Armored Truck Pick-Up Days		\$			\$
Third Party Services					
Monthly Third-Party Pass-Thru Fee			\$		\$

Depository Services	Annual Activity	Unit Price / Rate	Fixed Monthly Fees	Fixed Annual Fees	Estimated Total Annual Fees
Vault Services					
Deposits		\$			\$
Deposits With Cash (add-on fee)		\$			\$
Deposits With Loose Change (add-on fee)		\$			\$
Deposits With Rolled Coin (add-on fee)		\$			\$
Deposit Corrections		\$			\$
9 x 12 Inch Plastic Deposit Bag Orders		\$			\$
Faxed Vault Change Orders		\$			\$
Vault Change Orders		\$			\$
Positive Pay Services					
Monthly Positive Pay Maintenance (3-Way Match)			\$		\$
Positive Pay Exception Items		\$			\$
ACH Positive Pay Return		\$			\$
Positive Pay Return		\$			\$
Monthly ACH Positive Pay Maintenance			\$		\$
Add ACH Positive Pay Filter		\$			\$
Update ACH Positive Pay Filter		\$			\$
ACH Positive Pay Exceptions		\$			\$
General ACH Services					
Monthly ACH Maintenance			\$		\$
Transmission Files Processed		\$			\$
Debit Items Originated		\$			\$
Credit Items Originated		\$			\$
Return or Reject Debit Entries		\$			\$
Return or Reject Credit Entries		\$			\$
Exception File Count - Originations		\$			\$
Overlimit File Count - Originations		\$			\$
Same Day Debit Items Originated		\$			\$
Same Day Credit Items Originated		\$			\$
Items Deleted/Reversed		\$			\$
Transmit Acknowledgements		\$			\$
Originated Debit Return Unauthorized Items		\$			\$
Originated Credit Return Unauthorized Items		\$			\$
Online Services					
Monthly Online Maintenance Fee			\$		\$

Depository Services	Annual Activity	Unit Price / Rate	Fixed Monthly Fees	Fixed Annual Fees	Estimated Total Annual Fees
Monthly IR Transaction Accounts Fee			\$		\$
Monthly Wire Maintenance Fee			\$		\$
Electronic Report		\$			\$
Previous Day Transactions		\$			\$
Intraday Transactions		\$			\$
Total Users Enrolled		\$			\$
Stop Payments		\$			\$
Bank Transfers		\$			\$
Safekeeping Services					
Monthly Fee for Safekeeping Maintenance			\$		\$
Other Fees Not Listed Above					

DRAFT

APPENDIX 2
PROPOSAL FORM 2
FINANCIAL INSTITUTION
QUESTIONNAIRE

PROPOSAL FORM 2
DEPOSITORY QUESTIONNAIRE

1. How is the Bank chartered?
2. Disclose available public information concerning any known upcoming changes in the ownership, management, or financial position of the Bank or its parent holding company.
3. Does the Bank have any significant problems noted by regulatory agencies in the past 24 months?

If yes, please explain.
4. Indicate the address of the branch closest to City Hall (101 Old Plantersville Road, Montgomery, TX 77316).
5. If multiple locations exist locally, indicate the location that will handle the processing of the City's transactions.
6. Indicate the Bank's capital to assets ratio for the last five (5) years.
7. What was the Bank's 2023 return on assets (ROA)?
8. Attach copies of the Bank's most recent FDIC (UPBR) call reports.
9. Is the Bank a branch bank or will it soon become a branch bank? If so, please indicate which services will be provided from the Bank's branch location and which will be provided by the main Bank.
10. Please provide a brief biography of the Bank representative who will be the City's liaison.

APPENDIX 3
PROPOSAL FORM 3
REQUEST FOR ADDITIONAL INFORMATION

PROPOSAL FORM 3
REQUEST FOR ADDITIONAL INFORMATION

Please provide information concerning the services below and any additional services that you offer and think the City would benefit from.

DRAFT

APPENDIX 4
PROPOSAL FORM 4
CERTIFICATION

**PROPOSAL FORM 4
CERTIFICATION**

The undersigned affirms that they are duly authorized to represent this Bank, that this proposal has not been prepared in collusion with any other firm, and that the contents of this proposal have not been communicated to any other firm prior to the official opening of this proposal. Further, the undersigned affirms that the Bank agrees to all terms and conditions contained in this proposal.

Signed By: _____ Date: _____

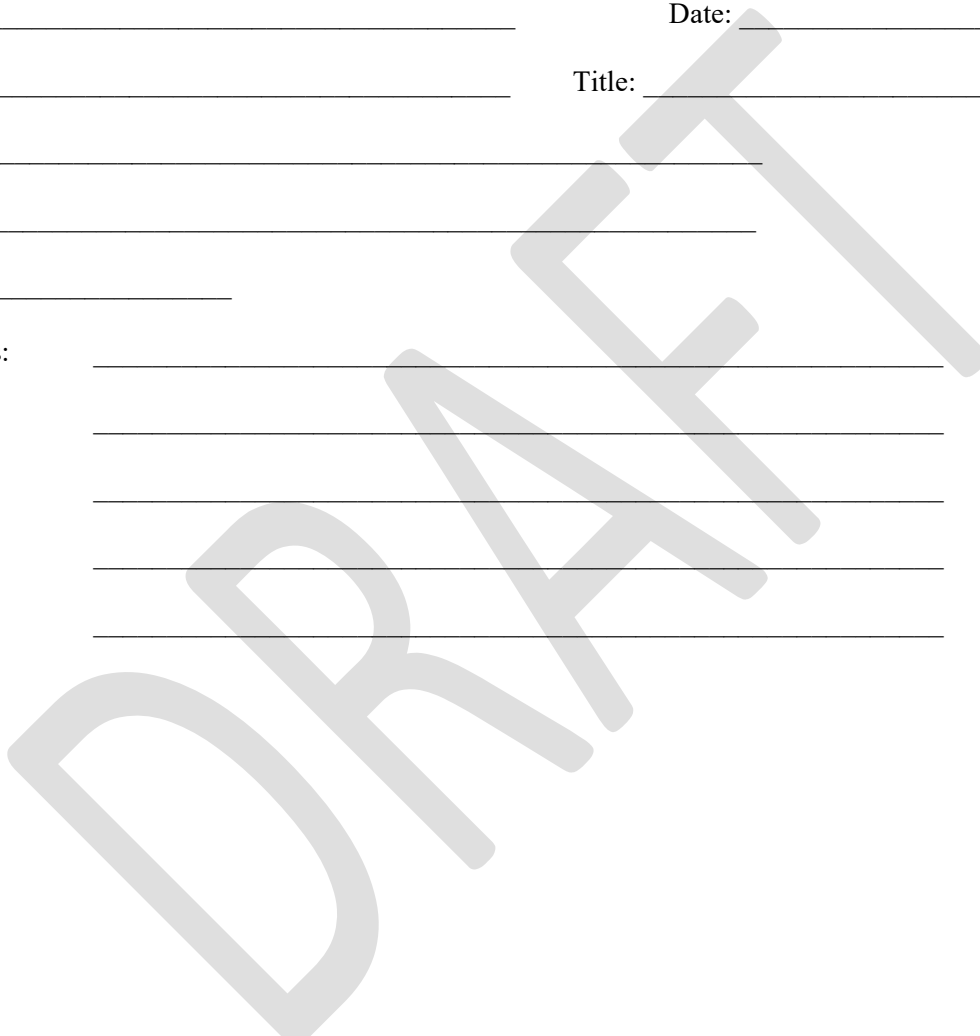
Printed Name: _____ Title: _____

Bank: _____

Email: _____

Phone: _____

Mailing Address: _____



APPENDIX 5
PROPOSAL FORM 5
REFERENCES

PROPOSAL FORM 5

REFERENCES

Three (3) references for Texas public sector clients you currently serve must be included with the submittal. City of Montgomery reserves the right to contact the references provided.

References for: _____
(Company Name)

Reference 1:

Name of Client (Agency) _____

Contact Person and Title _____

Address of Client (Agency) _____

Phone Number _____

E-mail Address _____

How long has your company provided service? _____

Reference 2:

Name of Client (Agency) _____

Contact Person and Title _____

Address of Client (Agency) _____

Phone Number _____

E-mail Address _____

How long has your company provided service? _____

Reference 3:

Name of Client (Agency) _____

Contact Person and Title _____

Address of Client (Agency) _____

Phone Number _____

E-mail Address _____

How long has your company provided service? _____

APPENDIX 6
PROPOSAL FORM 6
PROPOSER INFORMATION FORM

PROPOSAL FORM 6

PROPOSER INFORMATION FORM

BANK'S FULL BUSINESS NAME:	
PHYSICAL ADDRESS:	
CONTACT PERSON:	
PHONE #:	
EMAIL ADDRESS:	
BANK'S WEBSITE:	
BANK'S TAX ID#:	

APPENDIX 7
PROPOSAL FORM 7
AFFIDAVIT OF OWNERSHIP OR
CONTROL

PROPOSAL FORM 7

AFFIDAVIT OF OWNERSHIP OR CONTROL

INSTRUCTION: ENTITIES USING AN ASSUMED NAME SHOULD DISCLOSE SUCH FACT TO AVOID REJECTION OF THE AFFIDAVIT. THE FOLLOWING FORMAT IS RECOMMENDED: CORPORATE/LEGAL NAME DBA ASSUMED NAME.

STATE OF _____ §

§ AFFIDAVIT OF OWNERSHIP OR CONTROL

COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____ [FULL NAME] (hereinafter "Affiant"), _____ [STATE TITLE/CAPACITY WITH CONTRACTING ENTITY] of _____ [CONTRACTING ENTITY'S CORPORATE/LEGAL NAME] ("Contracting Entity"), who being by me duly sworn on oath stated as follows:

1. Affiant is authorized to give this affidavit and has personal knowledge of the facts and matters herein stated.
2. Contracting Entity seeks to do business with the City in connection with _____ [DESCRIBE PROJECT OR MATTER] which is expected to be in an amount that exceeds \$50,000.
3. The following information is submitted in connection with the proposal, submission or bid of Contracting Entity in connection with the above described project or matter.
4. Contracting Entity is organized as a business entity as noted below (check box as applicable).

FOR PROFIT ENTITY:

- SOLE PROPRIETORSHIP
- CORPORATION
- PARTNERSHIP
- LIMITED PARTNERSHIP
- JOINT VENTURE
- LIMITED LIABILITY COMPANY
- OTHER (Specify type in space below):

NON-PROFIT ENTITY:

- NON-PROFIT CORPORATION
- UNINCORPORATED ASSN.

5. The information shown below is true and correct for the Contracting Entity and all owners of 5% or more of the Contracting Entity and, where the Contracting Entity is a non-profit entity, the required information has been shown for each officer. [NOTE: IN ALL CASES, USE FULL NAMES, LOCAL BUSINESS AND RESIDENCE ADDRESSES AND TELEPHONE NUMBERS. DO NOT USE POST OFFICE BOXES FOR ANY ADDRESS. INCLUSION OF EMAIL ADDRESSES IS OPTIONAL BUT RECOMMENDED. ATTACH ADDITIONAL SHEETS AS NEEDED.]

Contracting Entity

Name: _____

Business Address [NO./STREET] _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address [OPTIONAL] _____

Residence Address [NO./STREET] _____

[CITY/STATE/ZIP CODE] _____

Telephone Number [OPTIONAL] (____) _____

Email Address [OPTIONAL] _____

**5% or More Owner(s)/Officers of Non-Profit Corporation
(IF NONE, STATE "NONE.")**

Name: _____

Business Address [NO./STREET] _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address [OPTIONAL] _____

Residence Address [NO./STREET] _____

[CITY/STATE/ZIP CODE] _____

Telephone Number [OPTIONAL] (____) _____

Email Address [OPTIONAL] _____

6. Optional Information

Contracting Entity and/or _____
[NAME OF OWNER OR NON-PROFIT OFFICER] is actively protesting, challenging or
appealing the accuracy and/or amount of taxes levied against
_____ [CONTRACTING ENTITY, OWNER OR
NON-PROFIT OFFICER] as follows:

Name of Debtor: _____

Type of Debt: _____
Account Nos.: _____
Case or File Nos.: _____
Attorney/Agent Name: _____
Attorney/Agent Phone No.: _____
Delinquent Years/Months: _____
Status of Appeal [DESCRIBE]: _____

Affiant certifies that he or she is duly authorized to submit the above information on behalf of the Contracting Entity, that Affiant is associated with the Contracting Entity in the capacity noted above and has personal knowledge of the accuracy of the information provided herein, and that the information provided herein is true and correct to the best of Affiant's knowledge and belief.

Affiant

SWORN TO AND SUBSCRIBED before me this ___ day of _____, 20__.

(Seal)

Notary Public in and for the State of Texas

NOTE:

This affidavit constitutes a government record as defined by Section 37.01 of the Texas Penal Code. Submission of a false government record is punishable as provided in Section 37.10 of the Texas Penal Code.

Attach additional pages if needed to supply the required names and addresses.

APPENDIX 8
PROPOSAL FORM 8
FORM CIQ
(CONFLICT OF INTEREST
QUESTIONNAIRE)

PROPOSAL FORM 8
FORM CIQ (CONFLICT OF INTEREST QUESTIONNAIRE)

Conflict of Interest Questionnaire:

DRAFT

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

2 Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes No

5

For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or rate regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(2) the vendor:

- (A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that
 - (i) a contract between the local governmental entity and vendor has been executed; or
 - (ii) the local governmental entity is considering entering into a contract with the vendor;
- (B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:
 - (i) a contract between the local governmental entity and vendor has been executed; or
 - (ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

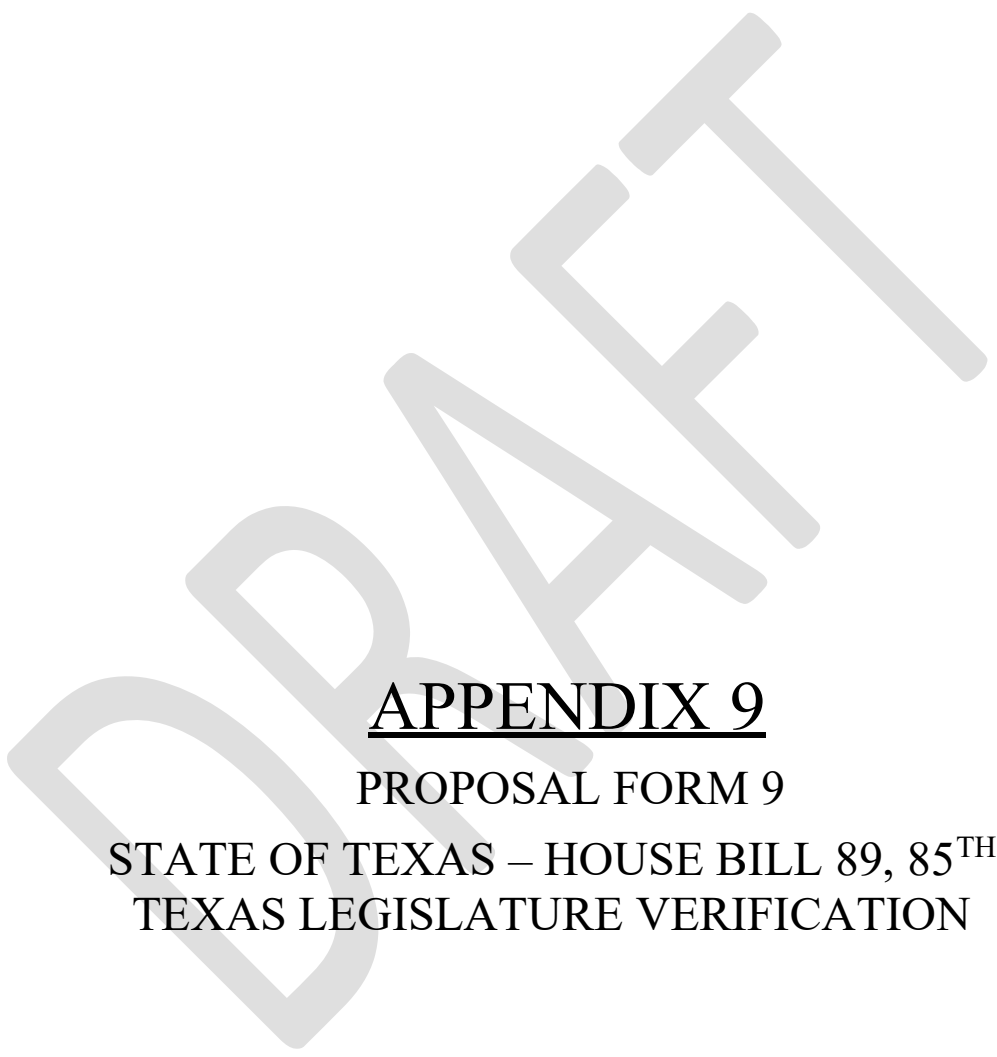
- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
 - (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
 - (3) has a family relationship with a local government officer of that local governmental entity.
- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(2) the date that the vendor:

- (A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

- (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or
- (3) the date the vendor becomes aware:
 - (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);
 - (B) that the vendor has given one or more gifts described by Subsection (a); or(C) of a family relationship with a local government officer.

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APPENDIX 9

PROPOSAL FORM 9

**STATE OF TEXAS – HOUSE BILL 89, 85TH
TEXAS LEGISLATURE VERIFICATION**

PROPOSAL FORM 9

STATE OF TEXAS – HOUSE BILL 89, 85th TEXAS LEGISLATURE VERIFICATION

I, _____, the undersigned representative of
(Person Name)

(Company or Business Name)

hereby referred to as company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named company, under the provisions of **Chapter 2271, Texas Government Code:**

- 1. Does not boycott Israel currently; and**
- 2. Will not boycott Israel during the term of the contract for goods or services.**

Pursuant to Section 2271.001, Texas Government Code:

1. “Boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and
2. “Company” means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit.

Date

Position/Title

Signature of Company Representative

APPENDIX 10

PROPOSAL FORM 10

**STATE OF TEXAS – HOUSE BILL 13, 87TH
TEXAS LEGISLATURE VERIFICATION**

DRAFT

PROPOSAL FORM 10

STATE OF TEXAS – HOUSE BILL 13, 87th TEXAS LEGISLATURE VERIFICATION

I, _____, the undersigned representative of
(Person Name)

(Company or Business Name)

hereby referred to as company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named company, under the provisions of **Chapter 2274, Texas Government Code:**

- 1. Does not boycott energy companies currently; and**
- 2. Will not boycott energy companies during the term of the contract for goods or services.**

Pursuant to Section 2274.001, Texas Government Code:

1. “Boycott Energy Companies” means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company:
 - a. engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or
 - b. does business with a company described by Paragraph (a) above; and
2. “Company” means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit.

Date

Position/Title

Signature of Company Representative

APPENDIX 11

PROPOSAL FORM 11

STATE OF TEXAS – HOUSE BILL 19, 87TH

TEXAS LEGISLATURE VERIFICATION

PROPOSAL FORM 11

STATE OF TEXAS – HOUSE BILL 19, 87th TEXAS LEGISLATURE VERIFICATION

I, _____, the undersigned representative of
(Person Name)

(Company or Business Name)

hereby referred to as company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named company, under the provisions of **Chapter 2274, Texas Government Code:**

- 1. Does not have a practice, policy, guidance, or directive that discriminates against firearm entity or firearm trade associations currently; and**
- 2. Will not discriminate against a firearm entity or firearm trade association during the term of the contract for goods or services.**

Pursuant to Section 2274.001, Texas Government Code:

1. “Discriminate against a firearm entity or firearm trade association”
 - a. means, with respect to the entity or association, to:
 - i. refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association;
 - ii. refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or
 - iii. terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; and
 - b. does not include:
 - i. the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories;
 - ii. Aa company ’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity ’s or association ’s status as a firearm entity or firearm trade association; and
2. “Company” means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit.

Date

Position/Title

Signature of Company Representative

TO BE ADDED??

4. **Bid Form** - The City contemplates a price per item fee proposal with monthly payments for services rendered.

The compensation proposal should be documented by completing the attached "**Bid Form**" and submitting it to the City with the RFP. It is intended that the "Bid Form" include all of the unit prices for services requested. All volumes indicated are estimates. The contract award will not necessarily be made to the bank that provides the lowest cost proposal but rather to the firm that submits the most responsive proposal meeting the City's requirements.

In addition, the bank should include as a part of the total price the cost of any services not itemized on the "Bid Form" which the bank feels must be included. The bank may also include the billing rate for special projects which may be entered into during the contract period but are not a part of the total cost proposal. Volume discount prices may be indicated where appropriate.

**Bank Depository
Bid Form**

<u>Services</u>	<u>Fee Charged/ Per Unit</u>
1. Cash Management Software	_____
2. Account Analysis Fee	_____
3. ACH Origination/Processing Fees (1) Utility Accounts (2) Payroll Direct Deposit	_____
4. Debit Card Processing Fee	_____
5. Stop Payment Request	_____
6. Overdrafts	_____
7. Wire Services	_____
8. VISA/MASTERCARD Transaction (either flat rate service charge or percentage)	_____
9. Collection fees for NSF checks	_____
10. Returned Items	_____
11. Check Cashing Fee (for City Employees)	_____
12. Positive Pay	_____
13. Deposit Slips	_____
14. Other Services	_____
15. Remote Deposit Capture	_____

Please indicate interest earnings credit available on demand deposit accounts and include under other services any areas that would be beneficial to the City in order to increase efficiency in maximizing earnings.

This page is intended as a summary only. Please attach supporting information.

Thank you for your time and effort in preparing this information.