

REQUEST FOR PROPOSAL

Banking Services

Henderson Water Utility (HWU) is requesting sealed proposals from qualified institutions for banking services as described in the following document. A banking institution (bank) is considered to be qualified if it is legally authorized to conduct business in the Commonwealth of Kentucky, has a branch office located within the City of Henderson and can provide collateral for deposits.

Sealed proposals will be received in the office of Henderson Water Utility at 111 Fifth Street, Henderson, Kentucky, 42420, until 4:00 pm, Friday, October 15, 2021. Facsimile or electronic proposals will not be accepted. Late proposals will not be accepted. The proposal opening will not be open to the public.

Questions regarding this Request for Proposal must be directed to Todd Bowley, Chief Financial Officer 270-869-6607, or Kathy Manker, Purchasing Manager, 270-869-6609.

Any vendor found to be soliciting other representatives of Henderson Water Utility during this RFP process may be disqualified.

The proposals are being solicited pursuant to KRS 45A.370.

Selection Criteria:

Listed in the order of importance are the criteria to be used to evaluate the responses and to select the successful bank:

1. Interest rate paid on checking accounts and/or fees charged for services
2. Ability to provide the services outlined in this proposal
3. Availability schedule for deposit items
4. Responsiveness (completeness of response) to the Request for Proposal



General:

Written or oral discussions may be conducted with all responsible offerors who submit proposals determined in writing to be reasonably susceptible of being selected for award. However, award may be made based on the initial offer.

The intent of HWU is for one bank to provide all the services requested in this proposal.

HWU reserves the right to reject any or all proposals, to waive any irregularities or informalities in any proposal and to accept or reject any item or combination of items.

The attached listing of checking accounts includes an estimate of the number of transactions for the year. This number is HWU's best estimate of the average volume and HWU in no way guarantees these as minimum or maximum volumes.

Term:

HWU intends to enter into an agreement with a starting date of December 1, 2021 (or as soon as practical thereafter) and an ending date of November 30, 2024, with two (2), one year period renewal options if the renewal(s) are agreeable to both parties. All conditions related to the banking services described herein shall remain in effect for the entire length of the agreement.

Services Required:

It is assumed there will be no charges for banking services. It is expected that all balances in HWU's checking accounts will earn interest at a rate as specified hereafter. The services provided to HWU at no cost shall include but not be limited to:

1. No minimum balance will be required in any of HWU's checking accounts.
2. All bank statements must be available for download electronically.
3. HWU will require the ability to send and receive wire transfers to/from other banks and outside entities. HWU will notify the bank of all outgoing wires by 12:00 p.m. the day of the wire. The bank will designate a person(s) that HWU can contact to make all outgoing wires. All wire notifications received by noon must be processed on the same business day.
4. The bank shall not be permitted to close any HWU account, no matter what the balance, without written permission of HWU. The written permission must contain the signature of at least one authorized signer.
5. The bank shall agree to correct all bank errors within three (3) business days after notification.
6. The bank shall provide HWU with on-line account inquiry of balances and transactions.
7. The bank shall provide HWU with the online ability to make transfers between checking accounts with same day settlement.

8. The bank must offer ACH Block / Filters with automatic email notifications.
9. The bank shall provide HWU with the ability to initiate ACH transactions online or electronically.
10. The bank will not hold funds related to the deposit of checks written on local banks longer than one business day from the date of deposit and funds related to checks written on non-local banks longer than two business days from the date of deposit.
11. The bank must furnish all necessary forms and supplies including but not limited to deposit slips, stop payment orders, coin and currency wrappers, etc. at no cost to HWU. HWU will provide its own checks, if needed/required.

Other Information and Requirements:

Potential institutions shall have a formal backup plan in place to support customers and provide uninterrupted service in the event of a disaster.

HWU currently has two (2) active checking accounts. A listing is attached with additional information per account.

HWU issues no checks. Almost all transactions are electronic/ACH receipts and payment from/to the City of Henderson.

The bank shall pledge securities of the United States Government having a fair market value at least equal to 102% of the balance of the checking accounts. A listing of collateral (pledged securities) including receipt number, face amount, pledged amount, due date and market value shall be sent to the Chief Financial Officer on a quarterly basis (September 30th, December 31st, March 31st and June 30th). A letter of credit from a qualifying United States government agency or corporation of the United States Government in lieu of pledged collateral would be acceptable.

Dollar amounts over those insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation must be collateralized by securities of agencies, backed by the full faith and credit of the United States or a United States government agency, including but not limited to:

1. United States Treasury;
2. Export-Import Bank of the United States;
3. Farmers Home Administration;
4. Government National Mortgage Corporation;

Obligations of any corporation of the United States government, including but not limited to:

1. Federal Home Loan Mortgage Corporation;
2. Federal Farm Credit Banks;
3. Bank for Cooperatives;
4. Federal Intermediate Credit Banks;

5. Federal Land Banks;
6. Federal Home Loan Banks;
7. Federal National Mortgage Association; and
8. Tennessee Valley Authority;

Audit Report:

The bank must provide a current audited financial statement or annual report with the proposal and for each fiscal year in which the banking services agreement is in effect.

Interest Rate:

On all checking accounts, unless the account has been designated non-interest bearing by HWU, the bank shall pay an interest rate equal to the high-end current Target Fed Funds Rate as set by the Federal Reserve Bank plus or minus (to be proposed by bank) basis points.

However, in no case shall the resulting interest rate be negative.

HWU Banking Accounts
All Numbers Are Best Estimates- Monthly

Fund	Checks Written	Checks Deposited	Digital Banking Transfers In	Digital Banking Transfers Out	ACH In	ACH Out	Deposits	Average Balance
Revenue Account	0	25	0	2	5	0	4	5,000,000
Operating Account	0	0	2	0	1	95	0	750,000
Total	0	25	2	2	6	95	4	5,750,000

1. Conflict of interest -- Gratuities and kickbacks -- Use of confidential information. (KRS 45A.455)

- (1) It shall be a breach of ethical standards for any employee with procurement authority to participate directly in any proceeding or application; request for ruling or other determination; claim or controversy; or other particular matter pertaining to any contract, or subcontract, and any solicitation or proposal therefore, in which to his knowledge:
 - (a) He, or any member of his immediate family has a financial interest therein; or
 - (b) A business or organization in which he or any member of his immediate family has a financial interest as an officer, director, trustee, partner, or employee, is a party; or
 - (c) Any other person, business, or organization with whom he or any member of his immediate family is negotiating or has an arrangement concerning prospective employment is a party. Direct or indirect participation shall include but not be limited to involvement through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing, or in any other advisory capacity
- (2) It shall be a breach of ethical standards for any person to offer, give, or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment, in connection with any decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling or other determination, claim or controversy, or other particular matter, pertaining to any contract or subcontract and any solicitation or proposal therefore.
- (3) It is a breach of ethical standards for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.
- (4) The prohibition against conflicts of interest and gratuities and kickbacks shall be conspicuously set forth in every local public agency written contract and solicitation, therefore.
- (5) It shall be a breach of ethical standards for any public employee or former employee knowingly to use confidential information for his actual or anticipated personal gain, or the actual or anticipated personal gain of any other person.

Effective: April 9, 1980

History: Amended 1980 Ky. Acts ch. 250, sec. 16, effective April 9, 1980. -- Created 1978 Ky. Acts ch. 110, sec. 92, effective January 1, 1980.

PROPOSAL CHECKLIST

- _____ Letter of Transmittal

- _____ Fully Completed “Banking Services Proposal Response Form”

- _____ Current Audited Financial Statement or Annual Report

- _____ Signed Copy of “Non-Collusive Vendor Statement”

- _____ Required Affidavit for Bidders, Offerors and Contractors Claiming Resident Bidder Status

- _____ Required Affidavit for Bidders, Offerors and Contractors Claiming Qualified Bidder Status

Henderson Water Utility

BANKING SERVICES PROPOSAL RESPONSE FORM

Checking Accounts Interest Rate:

Fed Funds Target Rate plus/minus _____ basis points

However, in no case shall the resulting interest rate become negative

Exceptions and Clarifications:

Name of Financial Institution

Authorized Signature

Henderson Water Utility

NON-COLLUSIVE VENDOR STATEMENT

PROPOSAL: Banking Services

The undersigned vendor, having fully informed himself regarding the accuracy of the statements made herein, certifies that:

- (1) The proposal has been arrived at by the vendor independently and has been submitted without collusion with, and without any agreement, understanding, or planned common course of action with, any other vendor of materials, supplies, equipment, or services described in the invitation to propose, designed to limit independent proposing or competition, and
- (2) The contents of the proposal have not been communicated by the vendor or its employees or agents to any person not any employee or agent of the vendor or its surety on any bond furnished with the proposal and will not be communicated to any such person prior to the official opening of the proposal.

The undersigned vendor further certifies that this statement is executed for purposes of inducing Henderson Water Utility to consider the proposal and make an award in accordance therewith.

LEGAL NAME OF VENDOR

BUSINESS ADDRESS

SIGNATURE AND TITLE OF PERSON
AUTHORIZED TO SIGN

DATE

REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS CLAIMING QUALIFIED BIDDER STATUS

FOR BIDS AND CONTRACTS IN GENERAL:

I. The bidder or offeror swears and affirms under penalty of perjury that the entity bidding, and all subcontractors therein, meets the requirements to be considered a “qualified bidder” in accordance with 200 KAR 5:410(3); and will continue to comply with such requirements for the duration of any contract awarded. Please identify below the particular “qualified bidder” status claimed by the bidding entity.

_____ A nonprofit corporation that furthers the purposes of KRS Chapter 163

_____ Per KRS 45A.465 (3), a “Qualified nonprofit agency for individuals with severe disabilities” means an organization that:

- (a) Is organized and operated in the interest of individuals with severe disabilities; and
- (b) Complies with any applicable occupational health and safety law of the United States and the Commonwealth; and
- (c) In the manufacture or provision of products or services listed or purchased under KRS 45A.470, during the fiscal year employs individuals with severe disabilities for not less than seventy-five percent (75%) of the man hours of direct labor required for the manufacture or provision of the products or services; and
- (d) Is registered and in good standing as a nonprofit organization with the Secretary of State.

The BIDDING AGENCY reserves the right to request documentation supporting a bidder’s claim of qualified bidder status. Failure to provide such documentation upon request may result in disqualification of the bidder or contract termination.

Signature

Printed Name

Title

Date

Company Name

Address

Subscribed and sworn to before me by _____ this ____ day of _____, 20__.

Notary Public

My Commission Expires

[Seal of Notary}

Check this box if not claiming Qualified Bidder Status

**REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS
CLAIMING RESIDENT BIDDER STATUS**

FOR BIDS AND CONTRACTS IN GENERAL:

The bidder or offeror hereby swears and affirms under penalty of perjury that, in accordance with KRS 45A.494(2), the entity bidding is an individual, partnership, association, corporation, or other business entity that, on the date the contract is first advertised or announced as available for bidding:

1. Is authorized to transact business in the Commonwealth;
2. Has for one year prior to and through the date of advertisement
 - a. Filed Kentucky corporate income taxes;
 - b. Made payments to the Kentucky unemployment insurance fund established in KRS 341.49; and
 - c. Maintained a Kentucky workers' compensation policy in effect.

The BIDDING AGENCY reserves the right to request documentation supporting a bidder's claim of resident bidder status. Failure to provide such documentation upon request shall result in disqualification of the bidder or contract termination.

Signature

Printed Name

Title

Date

Company Name

Address

Subscribed and sworn to before me by _____ this ____ day of
_____, 20__.

Notary Public

My Commission Expires

[Seal of Notary}

Check this box if not claiming Resident Bidder Status