The following is additional information regarding RFP #FAS-3022, titled Bank Depository Services released on June 29, 2012. The **Proposal due date** has been revised from August 8, 2012 @ 4:00 pm **to August 17, 2012 @ 4:00 pm**. The due date for demonstrations is revised to the **week of** **September 3, 2012** and Announcement of Successful Proposer **week of September 10, 2012**.

This addendum is hereby made part of the RFP and therefore, the information contained herein shall be taken into consideration when preparing and submitting a proposal. **Vendors should review the Q&A carefully as some of the responses have been reworded/clarified. These written Q&A's take precedence over any verbal Q&A.**

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| **Item #** | **Date Received** | **Date Answered** | | **Vendor’s Question** | | **City’s Response** | **RFP Additions/Revisions/**  **Deletions** | |
|  | 7/12/12 | | 7/12/12 | |  | The City has revised its standard insurance coverage to include a Financial Institution Bond. | **DELETE** in its entirety Attachment 1 – Insurance Requirements in the RFP and **REPLACE** with Attach 1A - Insurance Coverage and Bonds.  **ADD** Financial Institution Bond, Standard Form 24. |
|  | 7/12/12 | | 7/12/12 | |  | The contract terms and conditions, Section 23 – Insurance has been revised **to Section 23 - Insurance and Bonds**. | Replace Contract Terms and Conditions (Attachment 2), **SECTION 23** with the following language. |
|  | 7/9/12 | | 7/9/12 | |  |  | Deletion: Section 4 - Statement of Work – **DELETE** paragraph 4.10.1 in its entirety.  ~~The Bank must provide a $50 million line of credit, representing the estimated maximum amount of checks that can clear on a single day. In the event that the balance in the operating account remains negative at the end of the day, that balance will constitute a borrowing against this line-of-credit. RCW 43.09.2853 authorizes Cities to establish a line of credit.~~  Replace with:   * + 1. The Bank must provide a line of credit representing the estimated maximum amount of checks that can clear on a single day (minimum $10 million). In the event that the balance in the operating account remains negative at the end of the day, that balance will constitute a borrowing against this line-of-credit. RCW 43.09.2853 authorizes Cities to establish a line of credit. |
|  | 7/9/12 | | 7/9/12 | |  |  | Deletion: Section 4 Statement of Work – **DELETE** the following in 4.16.1  4.16.1 The Bank must provide a nightly sweep into **an authorized investment** ~~a~~ ~~repurchase~~ ~~agreement~~ and the method for pricing as authorized by RCW 35.39 and 39.58 |
|  | 7/13/12 | | 7/13/12 | | 1. Pg 5 & 12 of the RFP: The collection and deposits of parking meter money: Is the process the same as it was years ago where the carts would go in a van and the van would go in a vault? 2. Is the definition of Downtown (SODO) 3. Is provisional credit weighed & provisional credits given, and is there a counting that takes place later? 4. On the activity price there is a bin charge of $160. Is that for one or more bins? 5. To confirm: All the coin from the Parkion and the old fashion meters comes into a bin, the bin is dumped throughout the course of the day, the bin is weighed and credits are given. | 1. Yes. $3-$5 million dollars are collected in coin from parking meters then put in a van and taken to a collection site. Brinks is currently the 3rd party. 2. Yes 3. Yes. The coins are weighed and placed in a bin. 4. In a day’s activity, all coins fit into a bin. 5. Yes |  |
|  | 7/13/12 | | 7/13/12 | | A Regarding single head meters: Will the City continue the use of these meters or will or is there a plan to reduce or purge the single head coin meters?  B Can you give a percentage of single head vs multi-use card meters? | 1. Although the single head meters are rapidly diminishing, it is uncertain if they will be completely eliminated. 2. At this time, 95% of the spaces are multi card space meters and these meters accept coin.   Coin also comes from the City’s kiosks. |  |
|  | 7/13/12 | | 7/13/12 | | Pg 5 of the RFP references on in-house retail lockbox and they are also shown on some of the charts of accounts; Are those all internal in-house operations that the City of Seattle is performing themselves? | Yes |  |
|  | 7/13/2012 | | 7/20/2012 | | Would there be exception to amend the RFP as to consider banks currently with smaller capital structures in our state as calculated by the Washington PDPC? | Yes | **Delete** the following: Section 2 (Minimum Qualifications) item 2.6:  ~~The Financial Institution shall have a total capital structure of at least $450 million, (as calculated by the Washington Public Deposit Protection Commission), be able to support a deposit by the City in amounts up to $450 million, and daylight overdrafts up to $120 million. Proposing financial institutions must, at the time of submittal of a proposal, be in compliance with all applicable laws, rules, regulations, and ordinances of the City of Seattle, the State of Washington, and the United States, including the Washington State Public Deposit Protection Act (RCW 39.58).~~  Replace with:  The Financial Institution shall have a minimum capital structure of at least $300 million, (as calculated by the Washington Public Deposit Protection Commission), be able to support a deposit by the City in amounts up to $450 million, and daylight overdrafts up to $120 million. Proposing financial institutions must, at the time of submittal of a proposal, be in compliance with all applicable laws, rules, regulations, and ordinances of the City of Seattle, the State of Washington, and the United States, including the Washington State Public Deposit Protection Act (RCW 39.58).  Replace attachment 3 – Minimum qualification, in its entirety with Attachment 3A embedded below: |
|  | 7/13/12 | |  | | Minimum Qualifications 2.8 and Statement of Work 4.6 reference “availability of funds”,  A Is it just same day availability on 12th Federal District or is it on “all checks”?  B Is it possible to get the dollar breakout (like an end point analysis or summary) to help figure out the float? | A. Same day availability on funds drawn on 12th Federal District banks.  B. For 2012 Estimated total deposits are $1,100,000,000 of which $350,000,000 represents same day availability. Estimated average daily deposit is $4,000,000 with $1,500,000 receiving same day availability. | **Delete** the following: Section 2 (Minimum Qualifications) item 2.8:  ~~The Financial Institution shall provide same day availability of deposited funds to the City of Seattle.~~  Replace With:  The Financial Institution shall provide same day availability of deposited funds **drawn on banks within the 12th Federal District** to the City of Seattle.  See item #8 for revised minimum qualifications, Attachment 3A. |
|  | 7/13/12 | | 7/13/12 | | The score for Products and Services is weighted higher than the other criteria; is the City’s intent to have Products and Services weighted to correspond with the demonstration and that the City will want to see a live demonstration of tools, technology, etc? | Yes | **Add:** Section 7 - Evaluation Process, Step 4 – **Interviews, Demonstrations & Reference Checks**  If, in the opinion of the City, the demonstrations, references or research do not support the responses provided in Section 6 Offer Sheet and Mandatory Submittals, the City may revise response scores. |
|  | 7/13/12 | | 7/13/12 | | 1. Is there a mathematical process for pricing and fee section? 2. Will the scores for the other components listed in the Evaluation Criteria be scored and ranked by the evaluation committee, in which scores can range from the maximum amount of points to a lesser point value? | 1. Yes 2. Yes | **Add:** Section 7 - Evaluation Process, Step 3 – **Proposal Evaluation – Pricing & Fees**  As part of the mathematical formula, the City will consider the hard dollar transition costs as follows:   * Endorsement modifications (technical and mechanical): $7,500 * Interface modifications: $10,000 * Maintenance of incumbent bank for outstanding items: $5,400 * Stop payments for checks not cashed during transition period: $7,000 |
|  | 7/13/12 | | 7/13/12 | | Who is on the evaluation committee? | There are designated committee groups for the following criteria:   1. Minimum Qualification – 2 Project Managers. 2. Management Response 4-5 members 3. Products and Services 4-5 members 4. Socially Responsible Banking 4-5 members 5. Security 1-2 members 6. Pricing fees, mathematically calculated 7. Inclusion Plan. 3-4 (Purchasing) members 8. Demonstration – all members of the evaluation teams. |  |
|  | 7/13/12 | | 7/13/12 | | Section 7 (Evaluation Process) Step#5 states …”may consider a combination of awards at the option of the City.” Will the City be awarding to more than one Vendor? | No. | **Delete** the following: Section 7 (Evaluation Process) Step#5 Selection:  The City shall select the highest ranked Proposer for award.~~,~~ ~~or may consider a combination of awards at the option of the City~~. |
|  | 7/13/12 | | 7/13/12 | | Would the City rather see a redline markup of their Agreement or a separate document with suggested changes? | The City prefers a redline markup of the Agreement. |  |
|  | 7/13/12 | | 7/13/12 | | Statement of Work 4.5 (ACH) & Pg 6 (electronic process):   1. Can you provide the vendor(s) name that the City is using as a 3rd party vendor for electronic payment process? | 1. The City has issued an intent to award with a new vendor. Upon completion of contract negotiations the City will release the Vendor’s name. |  |
|  | 7/13/12 | | 7/13/12 | | B Will the 3rd party vendor pass along a file to the City’s particular institution in a specific file format (e.g. ACH transactions) or provide a net settlement to the financial institution?  C. Is the volume information included in the attachments? | 1. ACH will be handled differently than merchant. Merchant will be the dollars we settled, and ACH has historically been the detail. 2. Yes |  |
|  | 7/13/12 | | 7/13/12 | | Section 4 Statement of Work 4.11 – Control Disbursement: Is the City open to an in state disbursement or is the requirement to know all clearings first thing in the morning? | We need to know the controlled disbursement amount by 7:00 AM PST; we are open to an in state disbursement if it meets this requirement. |  |
|  | 7/13/12 | | 7/13/12 | | Can you tell us where the control disbursement location is and who is the provider? | The current site is out of Ohio and the provider is Wells Fargo |  |
|  | 7/13/12 | | 7/13/12 | | Section 4 Statement of Work 4.17 – ATM:   1. Does Wells Fargo have an ATM in the City Building or at City Hall? 2. Does No fee mean no fee to the City for that ATM? | 1. No. 2. It’s covered in the Products& Services attachment (5.11). |  |
|  | 7/13/12 | | 7/13/12 | | 1. Is it the intent to have full service ATMs and not just cash only? 2. What is the City’s interest? | 1. The City expects the Vendor to describe the level of service they will provide to the City. 2. The City is interested in the most services the Bank can provide. |  |
|  | 7/13/12 | | 7/13/12 | | Is there any information on restrictions that the City may have where the Bank can site an ATM in the City Building? | As of right now there would not be any restriction on the location of an ATM in City Hall, provided the Mayor, City Counsel and FAS agreed with the location and it made sense logistically.  In the Seattle Municipal Tower (SMT), Key Bank has the exclusive right to have an ATM in the common areas of the building.  The SMCU machine was an exception agreed to by Key Bank. An ATM may be placed in SMT when the Key Bank contract expires. |  |
|  | 7/13/12 | | 7/13/12 | | Does the City have mobile banking service now? | No. |  |
|  | 7/13/12 | | 7/13/12 | | Products and Services 4.1.23 – Mobile Reporting Services | This is the direction the City is interested in and a direction the City would like to head toward. |  |
|  | 7/13/12 | | 7/13/12 | | Products and Services Pg 25 #6. – Can you provide an estimate of the average dollar amount for those employees who still receive a paper check? | For each individual check, the estimated dollar amount is $1700 |  |
|  | 7/13/12 | | 7/13/12 | | Does the City envision a policy or restriction that could eliminate paper checks, if a card product was available to the employees? | There is no current policy in place. |  |
|  | 7/13/12 | | 7/13/12 | | Would it be possible to get the TMA codes for the pricing? | Please see the embedded statement below for ARP codes. |  |
| 27 | 07/13/2012 | | 7/20/2012 | | Can the City provide the AFP/TMA codes for each of the line items on the Cost Proposal sheet? | Please see response #26 |  |
| 28 | 07/13/2012 | | 7/20/2012 | | ARP Statement - Please describe the information provided with the ARP Statement.  How is the statement delivered? | File uploads (Positive Payment) and downloads (Redeems) are done through WF’s CEO and SAFE which is an FTP process.  We have .BAT processes which manage file upload and downloads, Internet connection (CEO and SAFE), and archiving of data files.  Please see document below for layout: |  |
| 29 | 7/13/2012 | | 7/20/2012 | | Payee Validation non-account holder - Please provide a description of what this line item represents. | This is a check cashing fee for non customers.  Because we have Payee Validation there is no cost to the City or the non customers cashing their checks at Wells Fargo.  This notates how many non Wells Fargo customers cashed City of Seattle checks at WF. |  |
| 30 | 7/13/2012 | | 7/20/2012 | | Debits Posted - Are these items paper based transactions (i.e. checks) or electronic? | All debit items, other thanchecks.  For example wires and ACH. |  |
| 31 | 7/13/2012 | | 7/20/2012 | | Credits Posted - Are these items paper based transactions (i.e. deposits) or electronic? | These are paper based deposits that are processed at Wells Fargo branches – charge is per deposit slip. |  |
| 32 | 7/13/2012 | | 7/20/2012 | | DDA Statement Frequent Cycle - How often are statements generated and how many accounts are set up for this schedule? | Statements are generated monthly and we have approximately 20 accounts. |  |
| 33 | 7/13/2012 | | 7/20/2012 | | DDA Statement Special Instruction - What type of special instructions are in place?  Does this refer to a special statement cut-off schedule? | The special instructions include who is to receive the statements |  |
| 34 | 7/13/2012 | | 7/20/2012 | | Cash Vault Currency/Coin Deposited - The current price is reflected as $0.00040.  Is this charge per $100 or per $1000?  Is 2,800,000 the actual total dollar amount of currency deposited? | The current price is as stated - $0.00040 (4 cents per $1,000.00), the approximate monthly average total dollar amount of currency deposited is $2,800,000.00. |  |
| 35 | 7/13/2012 | | 7/20/2012 | | Cash Vault Currency Furnished Non-Standard - How many non-standard orders were placed? | The billing for this service is based on order amount, not orders placed so we do not have that information. |  |
| 36 | 7/13/2012 | | 7/20/2012 | | Cash Vault Currency Furnished - How many orders were placed? | The billing for this service is based on order amount, not orders placed so this information is unavailable. |  |
| 37 | 7/13/2012 | | 7/20/2012 | | Cash Vault Coin Deposit Bin - Please provide a description of what this line item represents. How are these processed? Does Brinks deliver the Bins of coin to the bank in the actual bins? If so, how big are they? Are they currently lifted and dumped into a coin counter? | All collected coin is transported to Brinks and dumped by Collectors into a bin that’s approximately 3’X3’X4’.  The bin is emptied daily by Brinks onto a coin counter. Brinks then sends the totals electronically to the bank followed by a paper receipt by US mail. |  |
| 38 | 7/13/2012 | | 7/20/2012 | | Currency Order Branch/Store - The current price is reflected as $0.00050.  Is this charge per $100 or per $1000? Is 1,500 the actual total dollar amount of currency ordered? | The current price is as stated - $0.00050 (5 cents per $1,000.00). The $1,500.00 is the approximate monthly average total dollar amount of the Currency Order Branch/Store. |  |
| 39 | 7/13/2012 | | 7/20/2012 | | Web Return Item Base - Does the City have the ability to view returned deposited checks and apply a decision to redeposit or allow to charge back? | The City of Seattle is currently not using that functionality |  |
| 40 | 7/13/2012 | | 7/20/2012 | | ARP Serial Sort - Volume shows as 5.  Is this the number of accounts set up for serial sort?  How many accounts are set up for serial sorting? How many total checks are sorted in serial number order on average? | ARP Serial Sort Monthly Base”  is the number of ACCOUNTS (on ARP) that are having the cancelled checks sorted by sequence and returned to the City on a monthly basis.  The City has 1 account set up for this.  “ARP Serial Sort – Item” is the number of CANCELLED CHECKS from a ARP account that are sort by sequence and returned to the City in the monthly statement.  there were 3 checks sorted in June.  “DDA Serial Sort Monthly Base” is the same as above but these accounts are not on ARP, but the checks are still being sorted.  Currently 4 accounts are set up for this.  “DDA Serial Sort – Item” is the same as above, but the cancelled checks are from an account that are not on ARP.  Tied to the 4 accounts above.  In June there were 261 items sorted between those 4 accounts.  For June the City had 5 accounts set up for serial sort – total checks sorted was 264 |  |
| 41 | 7/13/2012 | | 7/20/2012 | | Positive Pay Base - Is this the monthly charge for Positive Pay services?  How many accounts are set up for Positive Pay?  Image Search Item - Is this a per item charge for each search performed to find an image of a posted check? | This is the monthly base fee and we currently have 3 accounts on positive pay. |  |
| 42 | 7/13/2012 | | 7/20/2012 | | Image Search Item - Is this a per item charge for each search performed to find an image of a posted check? | This is a per item fee for each search. |  |
| 43 | 7/13/2012 | | 7/20/2012 | | Who is the Web Payment Provider? | FIS Global is the current e-payment provider.  The City is in the process of negotiating a contract with a new e-payment vendor. We will release the vendor name when negotiations are complete. |  |
| 44 | 7/13/2012 | | 7/20/2012 | | Do City staff take deposits to the bank themselves at the various locations, or are they all collected to a central point and delivered to the vault via armored car? | Deposit handling varies by department.  Some departments take deposits to the bank themselves, some departments use an armored car to pick up deposits at various locations, some departments bring deposits to treasury to be deposited (delivered to the vault via armored car) |  |
| 45 | 7/13/2012 | | 7/20/2012 | | The City has requested Guaranteed ACH settlement. What does the word "guarantee" imply according to the City? | The City is interested in the cut off times for guaranteeing same day next day, and two day settlement to the recipient’s bank for city initiated ACH transactions. Please provide this information in Products & Services Response question 3.2.6 along with any situations that would impact the guaranteed settlement timing, |  |
| 46 | 7/13/2012 | | 7/20/2012 | | Is the City currently using a repurchase agreement sweep? If so, how is the rate determined? Is the rate tied to an index? | Yes, we are currently using a repurchase agreement sweep and the rate is not tied to an index. We do not know how the rate is determined. |  |
| 47 | 7/16/2012 | | 7/20/2012 | | Does the City plan to MANDATE payroll cards for employees not on traditional direct deposit?  What is the estimate of the # of payroll cards? | The City does not plan to mandate payroll cards.  There are approximately 1,200 employees not on direct deposit. |  |
| 48 | 7/16/2012 | | 7/20/2012 | | Retirement is processed on the 1st and 15th for approximately 7,000 retirees.  How many are paid via paper check?  Will all check payments move to prepaid cards? | The City does not plan to mandate payroll cards for retirees.  There are approximately 500 retirees not on direct deposit. |  |
| 49 | 7/16/2012 | | 7/20/2012 | | Can the City please provide the potential # / $ of prepaid card's to be used for Relocation Expenses? | Annual volume is approximately 50 per year, average amount is $3,000. |  |
| 50 | 7/16/2012 | | 7/20/2012 | | Dep insurance – FDIC insurance yes? | Please refer to question #26 above for a sample statement with AFP codes. |  |
| 51 | 7/16/2012 | | 7/20/2012 | | Domestic Collection No docs – Can they provide an AFP code or definition? | Please refer to question# 26 above for a sample statement with AFP codes. |  |
| 52 | 7/16/2012 | | 7/20/2012 | | Tax Access Code - Can they provide an AFP code or definition? | Please refer to question #26 above for a sample statement with AFP codes. |  |
| 53 | 7/16/2012 | | 7/20/2012 | | Tax Monthly Base- Can they provide an AFP code or definition? | Please refer to question #26 above for a sample statement with AFP codes. |  |
| 54 | 7/16/2012 | | 7/20/2012 | | Wire International –US or Foreign $? | Please refer to question #26 above for a sample statement with AFP codes. |  |
| 55 | 7/16/2012 | | 7/20/2012 | | Copy of June Custodial and/or Safekeeping Analysis | Out of scope for this RFP. |  |
| 56 | 7/17/2012 | | 7/20/2012 | | What ATM's are in place at the Seattle Municipal Tower and City Hall at this time? | Seattle Municipal Tower (SMT): There is a Key Bank ATM and a Seattle Municipal Credit Union (SMCU) ATM in public lobby areas.  There is also an ATM within a small convenience store on the 3rd floor  City Hall:No ATM at City Hall at this time. |  |
| 57 | 7/17/2012 | | 7/20/2012 | | Are the existing ATM's tied to contracts with the City? If so, what are the expiration dates? | Key Bank, as a tenant has the right to have an ATM for the term of their lease, which expires 11/30/2016.  The SMCU ATM is permitted by the lease for the SMCU space in City Hall that expires at the end of this year. |  |
| 58 | 7/17/2012 | | 7/20/2012 | | Will there be restrictions on the locations of our ATM's in the 2 locations in the RFP? | Please see response #21 |  |
| 59 | 7/17/2012 | | 7/20/2012 | | Would the new U.S. Bank Machines replace any/all of the existing machines? | They could replace machines when the existing agreements expired. |  |
| 60 | 7/18/2012 | | 7/24/12 | | Provide the annual amount collected from parking meters. | 2011 - $3,898,638.04 |  |
| 61 | 7/18/2012 | | 7/24/12 | | What percentage of coins collected are coins other than nickels, dimes, quarters? | It varies but on average, approximately 5% are dollar coins, and cents are negligible |  |
| 62 | 7/18/2012 | | 7/24/12 | | What are the dimensions and weight of the collection containers? | We use three types of locked containers.   1. 10” X 7” X 6” 2. 7” X 9” X 10” 3. 15” X 10” X 8”   The exact weigh is not known – but they are small and the weight of the canister is not critical since all coin is dumped into a bin by the collectors |  |
| 63 | 7/18/2012 | | 7/24/12 | | Is the vendor required to unlock the container with a key? | No, the vendor makes the keys available to the Collector who will unlock the Containers and dump the contents. The vendor is not allowed to assist in any way. |  |
| 64 | 7/18/2012 | | 7/24/12 | | What is the process for key distribution to the armored supplier? | Three separate keys are provided and retained by the armored supplier, to be made available to the Collector to unlock the collection cans. |  |
| 65 | 7/18/2012 | | 7/24/12 | | What is the process for a lost key? | Lost and/or broken keys are reported to the Collections Supervisor as soon as noted. Normally, Collectors notify the Supervisor if the vendor’s copy is bent, cracked or difficult to use. |  |
| 66 | 7/18/2012 | | 7/24/12 | | Is the armored supplier required to participate in a key audit? If so, what is the frequency and process? | No. |  |
| 67 | 7/18/2012 | | 7/24/12 | | What is the process for transporting parking meter coin to the vendor? | Marked City of Seattle vans transport the coin to the vendor. |  |
| 68 | 7/18/2012 | | 7/24/12 | | What is the frequency for transporting parking meter coin to the vendor? | Once daily for each collection van, but every now and then only one or two vans are used to transport the coin. This is due to staff time off, weather conditions, limited number of collection cans, etc. The vendor will be notified if less than three vehicles will be arriving, or will be late. |  |