

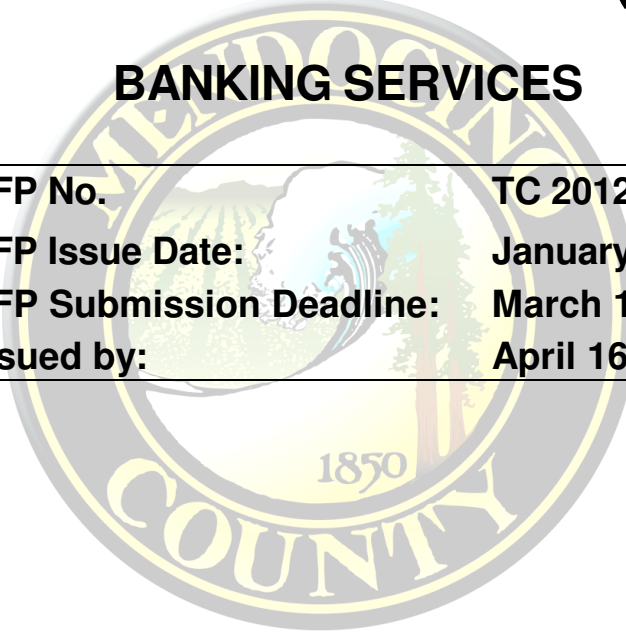
COUNTY OF MENDOCINO
TREASURER-TAX COLLECTOR

501 LOW GAP ROAD, ROOM #1060 ♦ UKIAH, CA 95482 ♦ (707) 463-4325
schapmis@co.mendocino.ca.us

REQUEST FOR PROPOSAL (RFP)

BANKING SERVICES

RFP No.	TC 2012-1
RFP Issue Date:	January 23, 2012
RFP Submission Deadline:	March 19, 2012
Issued by:	April 16, 2012



**REQUEST FOR PROPOSAL
BANKING SERVICES**

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I. INTENT

This Request for Proposal (RFP) announces the intent of the County of Mendocino to invite participants to submit a proposal to serve as the County’s depository and full service bank.

The purpose of the RFP is to obtain the most efficient, highest quality banking services available, at the most advantageous cost to the county and its taxpayers. We intend to establish an agreement for banking services with the successful bank for a period of three (3) years, with the option to renew annually for an additional three (3) years at the discretion of the Mendocino County Treasurer.

II. DEFINITIONS

COUNTY – The County of Mendocino.

VENDOR – A person, partnership, firm, corporation, or joint venture submitting a proposal to obtain a COUNTY contract.

CONTRACTOR – A vendor who signs a contract with the COUNTY to perform services.

III. PROPOSAL SUBMISSION GUIDELINES

A. Vendors must submit five (5) copies of their proposal: Four (4) complete paper copies with original Vendor signature, and one complete copy on CD. The proposal must be formatted in accordance with the instructions of this RFP. Promotional materials may be attached, but are not necessary and will not be considered as meeting any of the requirements of this RFP. Proposals must be enclosed in a sealed envelope or package, clearly marked “Mendocino County RFP No. TC 2012-1”, and delivered by 5:00 p.m. March 19, 2012 to:

Mendocino County Treasurer-Tax Collector
Attn: Shari L. Schapmire
501 Low Gap Road, Room #1060
Ukiah, CA 95482

Late or facsimile proposals will not be accepted. It is the proposer's responsibility to assure that its proposal is delivered and received at the location specified herein, on or before the date and hour set. **Proposals received after the date and time specified will not be considered.** Note: The unauthorized use of the County's official logo is strictly prohibited.

- B. Proposers are required to submit with their proposal: Attachment A – Proposal Summary and Statement of Responsibility (Signature Page), Attachment B – Proposal Checklist, Attachment C – Exceptions to RFP, Attachment D – Letters of Reference, Attachment E – Certificate of Non-collusion, and Attachment H – Proposed Cost Proposal; and acknowledgement of receipt of addenda, if applicable.
- C. Proposers are expected to examine all provisions, specifications, and instructions included in this RFP. Failure to do so will be at the proposer's risk.
- D. All prices and proposals must be typed or written in ink. No erasures are permitted. Errors may be crossed out; corrections may be printed in ink or typed adjacent to the error and initialed in ink by the person authorized to sign the bid. **Facsimile, telephone, electronic or verbal proposals will not be accepted.**
- E. Prices shall be stated in the format as requested herein. Where indicated, vendor shall provide unit of issue and cost per unit. In the event of a discrepancy between the unit price and the extended price for any item, the unit price shall prevail.
- F. All proposals must be dated and signed by a representative authorized to enter into contracts for the proposing vendor.
- G. All proposals will remain in effect and legally binding for at least six (6) months from the opening date.
- H. Expenses incurred in preparation of the proposal, site visits, or any other actions related to responding to this RFP shall be the responsibility of the vendor. Any and all damages that may occur due to packaging or shipping of the proposal will be the sole responsibility of the vendor.
- I. All proposals, response inquiries, or correspondence relating to or in reference to this RFP, and all reports, charts, displays, schedules, exhibits and other documentation submitted by vendor shall become the property of the County of Mendocino.
- J. Time when stated as a number of days shall include Sundays through Saturdays, excluding legal holidays.
- K. Vendor must examine all information and materials contained in and accompanying its proposal. Failure to do so will be at the vendor's risk. This will include, but not be limited to, all relevant laws and regulations of the State of California and the United States Government.

- L. If proposed, the County reserves the right to obtain equipment items through its own purchase programs.
- M. This service has been selected to be made available for use by other local government agencies (piggy-back). The use of the contract, by the other government agencies, will be optional. Sales to these governmental agencies by the Contractor shall be optional. If bidders choose to extend prices offered on this proposal to other governmental agencies, any resulting contract will be solely between the supplier and the third party unit of government. Mendocino County shall not be responsible for any problems which may arise between other government agencies and the contractor as a result of any sales and/or purchases made.

IV. PRE-SUBMITTAL INQUIRIES AND POINTS OF CONTACT

- A. Pre-submittal inquires and correspondence shall be directed to:
- Procedural inquires: Shari L. Schapmire
Treasurer-Tax Collector
(707) 463-4325
schapmis@co.mendocino.ca.us
 - Technical inquires: Sarah Norbury
(707) 463-4325
norburys@co.mendocino.ca.us
- B. All questions regarding this RFP shall be submitted in writing (Email or Fax is acceptable).
- C. The questions and answers will be provided by the County in writing, in the form of an addendum to all known interested vendor(s) after the inquiry deadline. If any addenda are issued by the County, they shall be sent via facsimile and/or first class U.S. mail to the last known business address of each vendor known to have received a copy of this RFP. **Vendors must include in their proposals acknowledgement of receipt of any and all addenda issued.**
- D. The deadline for submitting written inquiries regarding this RFP is indicated in **Section VI SCHEDULE OF ACTIVITIES.**
- E. Questions submitted after the inquiry deadline will not be answered. Only answers to questions communicated by formal written addenda will be binding.
- F. Mendocino County requires that other Mendocino County management and employees not be contacted by Vendors during the RFP process. **Failure to comply with this requirement may disqualify those proposals from further consideration. Contact is limited to the Mendocino County RFP**

Representatives listed above for any and all technical and procedural inquiries.

V. MODIFICATIONS OR WITHDRAWAL OF PROPOSALS

- A. A proposal that is in the possession of the County may only be altered by letter or facsimile bearing the signature or name of the Vendor’s authorized representative, provided it is received **prior to the deadline for submission of proposals**. Telephone, email or verbal alterations will not be accepted.
- B. A proposal that is in the possession of the County may be withdrawn by the proposer **up to the time of the deadline for submission of proposals**.

VI. SCHEDULE OF ACTIVITIES

The County intends to progress in this procurement in a series of orderly steps. The schedule that follows has been developed in order to provide adequate information for Vendors to prepare definitive Proposals and to permit Mendocino County to fully consider various factors that may affect its decision. **This schedule is subject to change at the discretion of the County. The County will provide sufficient advance notice to vendors in the event of schedule changes.**

Scheduled Activity	Proposed Date
Letter of interest and Request for Proposals mailed to prospective proposers	January 23, 2012
Inquiry Deadline	February 13, 2012
RFP Submission Deadline (Including electronic submission of the Cost Schedule, as identified in Section XIII – Format of Cost Proposal)	March 19, 2012
RFP Selection and Notification	April 16, 2012
County Board of Supervisors Approval of Recommendation(s)	May 1, 2012
Approximate Contract Start Date	May 1, 2012

VII. SELECTION PROCESS

- A. The County reserves the sole right to judge the contents of the Vendors’ proposals. The selection process will be governed by the following criteria:
 - 1. The proposals must adhere to the instructions and format as specified in this RFP.
 - 2. The evaluation will include a review of all documents and information relating to the Vendor’s services, organizational structure, capabilities, qualifications, past performance, and costs.
 - 3. Vendors may be required to make an oral presentation and interview before final selection is made.

4. The County may evaluate any information from any source it deems relevant to the evaluation.
5. False, incomplete, or unresponsive statements in a proposal may be sufficient cause for its rejection.

VIII. SELECTION CRITERIA

- A. The selection of CONTRATOR(s) and subsequent contract award(s) will be based on the criteria contained in this RFP, and as demonstrated in the submitted proposal. CONTRACTOR(s) should submit information sufficient for the County of Mendocino to easily evaluate proposals with respect to the selection criteria. The absence of required information may cause the proposal to be deemed non-responsive and may be cause for rejection.
- B. Funding determinations for this RFP will be made through a competitive procurement process and shall be in accordance with all applicable federal, state, and local procurement laws and regulations.
- C. Competitive negotiations require that at least two (2) responsive proposals for the same scope of work and service area must be receive in response to an RFP. A competition is considered failed if only one (1) responsive proposal is received. If a competition has been declared failed, the County of Mendocino then has the option to re-compete the procurement or enter into sole-source procurement.
- D. Proposal Review and Evaluation Process
 1. The proposal will be judged based on service capabilities and experience of the prospective Vendor and all persons who will be providing services under contract. The following are the critical areas of the proposals that will be evaluated:
 - a. Adequacy of the described plan/approach to deliver requested services as described in Section XI SCOPE OF WORK.
 - b. Experience of Vendor in providing services and quality of work.
 - c. Status of Professional Certification including whether the Vendor meets the minimum requirements to provide service.
 - d. Cost of providing services as outlined in Section XI SCOPE OF WORK.
 - e. All criteria identified in Attachment F, Proposal Evaluation Form.

IX. AWARD AND CONTRACT INFORMATION

- A. The County hereby notifies all proposers that it will affirmatively ensure that minority business enterprises will be afforded full opportunity to submit proposals in response to this invitation, and that no proposer shall be discriminated against on the grounds of age, race, color, sex, religion, creed, national origin, marital status, political affiliation, or disability.
- B. The Vendor agrees that should it be awarded a contract, the Vendor shall not discriminate against any person who performs work thereunder because of age, race, color, sex, religion, creed, national origin, marital status, political affiliation, or disability.
- C. The County reserves the right to reject any or all proposals and to waive any irregularities if deemed in the best interest of the County to do so. The County will select the Vendor whose proposal is determined by the County to be the most responsive and responsible proposal and of the best advantage to the citizens of Mendocino County. The County shall be the sole judge in making such a determination.
- D. The successful Vendor will be required to enter into and sign a formal agreement with the County, which agreement will be in effect for the duration of the contract period. A sample contract is attached to this Request for Proposal as Attachment G. It is the Vendor's responsibility to review the contract's terms and conditions and to state any exceptions to those conditions in its response to the Request for Proposals. If no exceptions are noted, the County will understand that the Vendor agrees to the terms and conditions as stated in the contract.
- E. The terms and conditions of this Request for Proposal as well as the Vendor's proposal, and any modifications to said proposal agreed to in writing by both parties shall become a part of the contract.
- F. Prior to final selection, Vendors may be required to submit any additional information that Mendocino County may deem necessary to determine the Vendor's qualifications. Should any of the information requested by Mendocino County be considered by the Vendor to be confidential, it must be so stated. Mendocino County will attempt to treat any information submitted by the Vendor as confidential if requested to do so; however, Mendocino County cannot ensure such confidentiality.
- G. Open Procurement
 - 1. The Vendor shall include any latitudes, prohibitions or limitations placed on the purchase of the items presented in the Vendor's Proposal. Items and/or services that the Vendor intends to be offered on a unit price basis must be so identified. [The County's objective is to clarify all purchase options.]

2. Mendocino County reserves the right to negotiate changes to the original Proposal(s), including changes in system cost and/or unit price.
3. Mendocino County reserves the right to accept or reject any or all Proposals in whole or in part.
4. Mendocino County reserves the right to negotiate a contract with more than one Vendor at the same time.

H. Local Vendor Preference:

1. The County of Mendocino has established a local vendor preference. All informal and formal Invitations to Bid and Request for Proposals for contracts are evaluated with a 5% preference for local vendors. The vendor must claim local vendor preference to be considered (refer to Attachment A – Summary and Statement of Responsibility (Signature Page), Certification No. 6). Please note the following exceptions:
 - a. Those contracts which State Law or, other law or regulation precludes this local preference.
 - b. Public Works construction projects.
2. "Local" vendor will be approved as such when, 1) it conducts business in an office with a physical location within the County of Mendocino; 2) it holds a valid business license issued by the County of Mendocino, and will be asked the name of the Local Agency which issued the license; and 3) business has been conducted in such a manner for not less than six (6) months prior to being able to receive the preference, said vendor will be asked the business address and how many years the business has been at that location.

X. BACKGROUND INFORMATION

Banking services for the County of Mendocino have been provided by Bank of America since 1991. We are seeking proposals as the existing banking agreement expires on March 1, 2012. Credit card payment activities are specifically excluded from this contract. We encourage vendors to suggest and describe any enhancements or technology improvements that could improve the County's banking, cash management, and customer service capabilities.

XI. SCOPE OF WORK

The County of Mendocino is seeking to enter into a contract with a bank that has demonstrated its ability to provide the following services:

- Full Service Depository of Public Funds
- Deposit Activity
- Fully Staffed Government Services Unit

- Account Reconciliation
- Zero Balance Accounts Tied to Parent Account
- Check Image Retrieval
- Positive Pay
- ACH, Wire, and Other Transfers
- Balance and Detail Reporting
- Direct Deposit of Payroll
- Payroll Tax Processing
- Bank Compensation
- Lockbox Services

XII. PROPOSAL FORMAT AND CONTENT

In order for the County to adequately compare and evaluate proposals objectively, all proposals must be submitted in accordance with the requirements stated here.

For each proposal please use dividers with tabs labeled from A through P. Vendors must maintain the label sequence of each response in accordance with the layout of this RFP. For numbered items listed under tabs B through L, vendors must repeat each question or group of questions followed by the bank's reply.

Tab A- Table of Contents:

Each proposal should include a table of contents, maintaining the labeling and numbering format of this RFP.

Tab B- Minimum Qualifications:

1. To be considered for selection, proposing banks must meet certain Minimum Qualifications.
2. Is your institution a State or National Bank as defined in Government Code Section 53630.5?
3. Do you have established offices within the County of Mendocino and/or City of Ukiah? Please list the locations of your offices.
4. Is your bank a member of the Federal Reserve System with access to all Federal Reserve services? Are you insured by the Federal Deposit Insurance Corporation (FDIC)?
5. Are you a qualified depository of public funds in compliance with Section 53649 of the California Government Code? Would you be capable of collateralizing public fund deposits exceeding \$50 million? What is the banks' current level of public funds deposits and related collateral?
6. Does the bank have a fully staffed government services unit? Does this unit have experience with an account similar to Mendocino County?
7. Are you in compliance with Section 53635.2 of the California Government Code in regards to serving the credit needs of California communities? What is your overall rating with the Community Reinstatement Act (CRA)?
8. The Treasurer may need \$10 million for daylight overdrafts. Are you sufficiently capitalized to handle this amount or even higher limits?

9. In addition, to be considered for selection, your bank must offer positive pay with name verification (payee validation).

Tab C- Check Processing:

Mendocino County currently maintains three (3) Zero Balance Accounts (ZBA's) for check activity – 1) EBT Welfare, 2) Schools, and 3) Welfare. All ZBA's utilize check truncation services.

The Treasurer currently utilizes full account reconciliation; on a weekly basis, the Treasurer receives reconciliation information by means of hard copies. The County receives weekly electronic transmission of checks paid by the bank for reconciliation with the County's checks issued file. The bank does honor stale dated checks, which are checks that have been outstanding six months or more based on the date on the check, as we currently do not pay the additional fee for the service of monitoring stale dated checks.

1. Can the County establish ZBA's that can be tied to our main concentration account? Are there any limitations to the type of ZBA, e.g., depository vs. disbursement account?
2. Will postings of the daily total from ZBA's to the main account be accessible through a detailed report of the main account, or must the County access each account separately?
3. Do you offer truncation for paid items/checks, with images (front and back) transmitted to the County?
4. Do you offer check images on a Compact Disk-Read Only Memory (CD-ROM)?
5. Are the images also available online via PC? For how long? Are the images also available by mail or fax? How soon after a check has been cashed is the image available?
6. How long will you retain the physical check? The check images? Are the images legal and do they follow American National Standard Specifications?
7. Will the bank accept check issue information by data transmission? How flexible is the bank in terms of the file format? Can the bank accept and input manual items for check issue information?
8. Are you capable of sending a daily electronic file of checks paid the previous day? How flexible is the bank in terms of file format? By what time could the County expect the daily file download?
9. What is the bank's maximum character field size for check numbers? Is the field alpha/numeric or numeric only? Will your bank test MICR encoding of new checks?
10. Do you offer full and partial account reconciliation? Please describe the bank's reconciliation services.
11. What methods do you provide for input confirmation of stop payment orders? Can the request be input online? If input online is the confirmation immediate?
12. Within what time frame (hours) does the stop payment order take effect?
13. How long do stop payment orders remain in effect? Do you have different duration options, such as 6 months, 1 year, or 2 years, without the need to implement extensions? Is the cost different for each option?

14. In the case of stale dated checks, will the bank agree to not honor any checks that have been outstanding (based on the dated date of the check) for six months or more? Is there a cost to the County for reviewing and returning stale dated checks?
15. How does the Bank compensate clients for checks that are cashed after a stop is placed or if stale dated, and how many days does this take?
16. What is the bank's procedure on forged endorsements after the check has been paid?

Tab D- Positive Pay and Non Customers:

1. Describe the bank's capabilities for Positive Pay and indicate what fields are currently included.
2. Do you offer name verification (payee validation) under positive pay? How restrictive are name specifications for the printed checks? Do you have restrictions such as 12 point font, no bolded names, etc.? Do you have high read rates?
3. How are exception items under Positive Pay reported to the County? Describe how the bank provides image viewing for exception items.
4. What is your procedure and timeline for paying or returning exception items? What is your default disposition if you do not receive the pay decision response by the deadline?
5. Can check status be viewed online via PC?
6. Will your bank charge non-account holders a fee to cash our checks? What is the current fee amount?

Tab E- Wires and ACH:

1. The County uses ACH for Direct Deposit of employee's payroll. What are your cutoff times for delivery of a direct deposit file? What is the 'drop dead' deadline to guarantee employee posting? Are there fees associated with missing the standard deadline? Are fees different if the direct deposit files are delivered prior to deadline date?
2. Describe the acknowledgments you provide when you receive a file transmission, including the level of detail, the information required and the reconciliation procedures involved. Describe security measures.
3. Do you recommend pre-notifications for every transaction prior to transfer?
4. Describe how you handle return items and returned pre-notifications.
5. Are there any restrictions on the software we can use to prepare our payroll in order to be compatible with your direct deposit service?
6. The County submits tax payments by ACH file transmission. What are your different file transmission options? What are your delivery and transmission deadlines? Can transmissions be initiated and monitored online?
7. If the County uses your service for making tax payments, do you guarantee the timing of the payment? If the payment has been made within your cutoff time but is delayed, will you absorb any penalties and interest charges assessed by the tax authority? Describe any restrictions or limitations.

8. Does the County have the ability to change, add or delete an item after transmitting our ACH file to you? If yes, describe the procedure and cutoff times?
9. Do you provide an ACH warehousing capability? If so, indicate the maximum warehousing period and how long changes can still be made before release from warehouse status.
10. Describe your system security in general and how it will guard against unauthorized ACH debits to the Treasurer's accounts. If unauthorized ACH transactions post to a Treasurer account, describe how the transaction would be resolved.
11. What assistance do you provide in establishing a new ACH transmission? Do you provide access to a database of ACH member institutions and ABA transit routing codes?
12. Describe the Bank's online wire transfer capabilities. What is the cut-off time in Pacific Standard Time for initiating wire transfers to ensure same-day execution?
13. What safeguards and security measures does the bank have in place to protect the County, especially against unauthorized use of the system? Are there daily limits on wire transfers?
14. Describe your procedure for notifying the County when an ACH or wire transmission fails. How soon will the notification occur?
15. Is your bank both a sending and receiving bank of the National Automated Clearing House Association (NACHA)?
16. With regards to your ACH and wire services, what are the bank's contingency plans in the event of a system failure? Do you offer these services by a means other than computer – a backup process if internet/transmission lines are unavailable?

Tab F- Deposit Activity:

The County Treasury serves as the depository for County departments, special districts, and school districts. Currently, approximately 7,200 checks per month are deposited encoded; however, as of March 2012, equipment will be in place to utilize image depositing and checks will no longer be deposited encoded. Approximately 3,100 checks per month will continue to be deposited un-encoded by departments in outlying areas, at least in the immediate future. The peak periods for deposits coincide with property tax collection months of April and December. Weekly currency deposit amounts vary throughout the year ranging from \$20,000 to \$300,000.

1. Describe the bank's required preparation for cash deposits.
2. Will the bank be able to fulfill the County's requirement that all returned deposit items will be re-deposited at least once? Is there a charge for this? Is there a NSF check fee for the first and/or second return on the same deposit?
3. What availability will we receive for image and check deposits? Are your availability policies different from the Federal Reserve Bank's availability schedule? Will the County receive same day availability of funds for all image and check deposits drawn on the bank?

4. Describe how the bank handles any deposit discrepancies. Is there a minimum adjustment amount? What supporting documents are provided for deposit adjustments? How will you notify the Treasury?
5. Describe your return procedures for checks. If the original check is deposited, will you return it? Can you provide an internet based returned-check list with images both front and back?
6. What are the cut-off times for image and check deposits at the banks operations center to ensure same day ledger credit?
7. What are the cut-off times for cash deposits at the banks operations center to ensure same day ledger credit? Provide the deposit location for cash armored car deliveries.
8. The Treasurer requires daily to weekly cash deposit delivery to the bank. Does the bank, or a third party, provide secure transportation services for deposits? What are the costs for these services? Can these costs be paid from earning allowance credits through the Bank's monthly Account Analysis Statement?
9. What is the same-day ledger cut-off for direct local branch deposits, should that ever be necessary? Does the bank have at least one branch in the City of Ukiah? Where are bank branches located in Ukiah?
10. Do you provide an online reporting system whereby images of checks deposited may be viewed electronically by the Treasurer?
11. Do you guarantee immediate credit (same day funds credit) on all incoming wire transfer and U.S. Treasury and State of California checks upon receipt? Are you an approved State Depository?
12. Does the bank have a branch in Sacramento which has the capability to directly pick-up State of California warrants from the State Controller for immediate deposit and credit to the County's account? Will the bank provide internet notification of the deposit to the County Treasurer? By what time will the County receive notification?
13. Describe the bank's Sacramento Lockbox Service. What is the schedule of availability for these items? Will lockbox deposits of CA State checks receive immediate credit? At what time of the day is the information reported and will the bank provide Internet notification?
14. The County has seen an increase in ACH direct deposits without clear documentation as to the source of the funds. This makes it difficult to identify the recipient department. Can the bank propose a cost effective solution to this problem?

Tab G- Reporting and Cash Position Management:

The Treasurer requires daily access via PC to detail and balance reporting information for all accounts, for both prior day and current day (intraday) information. Prior day information must be available by 7:00 a.m. Pacific Standard Time the following working day to facilitate the daily cash management of funds under the discretion of the Treasurer. In addition, the Treasurer requires a monthly bank statement showing summaries, reconcilements and relevant detail.

1. Describe the bank's online information reporting system and capabilities. Describe or provide a sample copy of PC screens that show the information

- reports that the County can obtain from your system. Are all reports available over the internet?
2. At what time is prior day information available for access by the Treasurer? Can the Treasurer receive intra-day information via Internet? How often is intra-day information updated?
 3. Describe the systems security, including whether passwords, authentication, and/or encryption techniques are used to protect access to the Treasurer's data?
 4. Provide a report showing system down time for the past year, including types of services unavailable and how it was communicated. Describe your backup procedures for times when the system is unavailable.
 5. How long is information maintained? Is full history accessible via PC? If not, describe the procedure for accessing the information.
 6. With regards to this category, what are the bank's contingency plans in the event of systems failure or natural disaster?

Tab H- Sweep Services:

Mendocino County currently does not utilize sweep services, but may wish to in the future.

1. Do you offer an overnight sweep service for collected balances at the end of the day with automatic fund transfer?
2. Please describe in detail the investment options available under the sweep. Include rates of return for each option and how often rates change.
3. If an option includes repurchase agreements, do you offer collateralization above 100%? What securities are offered as collateral?
4. Is there a maximum amount you will accept in the sweep? If the County anticipates a large sweep balance, must we provide notice to sweep personnel? What size sweep balance would require giving notice?
5. What are the total assets in your sweep program and what is the largest individual customer balance in the last month?

Tab I- Conversion Process:

In the event that your bank is selected, key branch and bank staff assigned to the County will be required to participate in an on-site review of County Treasury operations. The bank will be expected to make a written report to the Treasurer of its findings and recommendations and develop a conversion plan based on the review.

1. How long does a typical conversion take? What factors may alter that time period?
2. Provide a proposed, detailed implementation schedule for our project. Include names and specific titles of the parties involved, including the person who will lead the conversion. Include your estimated hours for each major task.

OR

1. Provide a sample conversion timetable/schedule.

2. Will all training be on-site or will our staff need to attend training at your facilities? If off-site training is required, where are the training facilities located?
3. Will the conversion be at no cost to the County? Will the bank provide a conversion allowance to the County? How much?
4. Will the Bank take the lead and responsibility for conversion progress, with weekly updates of progress to staff?
5. Do you provide written user manuals for all services? How often are manuals updated?

Tab J- Payment for Services- Bank Compensation:

The Treasurer currently compensates for bank services through a combination of direct fees and an earnings allowance based upon the demand deposits. In addition to three ZBA accounts, the bank maintains five (5) Departmental accounts with all fees consolidated under one primary account. In addition, the Treasurer requires a monthly account analysis report with a summary page for all accounts.

1. Does the bank accept compensation in fees, balances, or a combination of the two? Is the price schedule the same either way?
2. If you accept collected balances for payment, give the complete formula for calculating the earnings credit. What is the Bank's Earning's Credit Rate based on, how is it calculated, and how frequently does it change? Is the reserve requirement deducted from the available balance before the earnings allowance is calculated? Are the balances of all accounts consolidated for this calculation? Please list your actual earnings credit rate for each of the last 12 months.
3. What is the bank's time horizon for an excess/deficit earnings credit relative to fees? Is it carried forward to future billing periods? For how long? Describe any limitations or policies related to this compensation method.
4. What is your charge rate for a negative collected funds balance? What is the Bank's Negative Collected Use of Fund Rate based on, how is it calculated, and how frequently does it change? Are the balances of all accounts consolidated for this calculation? Please list your actual negative collected funds rate for each of the last 12 months.
5. Is the available balance assessed an FDIC deposit insurance assessment and what is the current rate?
6. Are TMA codes included on the Account Analysis Statement? Can the statement be delivered electronically each month? How quickly can we expect delivery?
7. Please provide a copy of your Account Analysis Statement and place it behind **Tab N** as an exhibit.
8. Does the bank have any special charges not specified in the pricing schedule that relates to operations of the bank account? For example, do you charge for an excessive error rate on encoding?
9. Will your bank guarantee the prices in this proposal for the next three years? If not, how will future price increases be calculated?

Tab K- Experience / References

1. Describe the bank's experience in providing the requested services to the public sector. Include exclusive resources dedicated to the public sector.
2. Please provide a description of the experience/qualifications of all persons who may perform services under contract, including staff resumes that cover all experience and educational background. All personal information provided will be maintained in confidence as allowed by law.
3. Please provide a list of key personnel, including full name, position, licenses or degrees held and a brief summary of relevant experience as related to proposed services; organization chart; list of Board of Directors (if applicable); licenses (where appropriate).
4. Please provide two (2) letters of reference for the County to contact, including contact name, phone number, and address (to be listed in **Attachment D** of this RFP). These references should be public entities in which the bank has worked to provide services. In addition, three (3) additional public agency references of similar size and scope of services must be listed.
5. Upon specific request of the County, the bank shall provide consent and waiver forms permitting County to obtain personal employment/professional qualification information about Contractor who may perform services under this contract from third parties, and releasing third parties from any and all liability for disclosing such information to County.
6. Please provide a complete list of current public clients to whom you provide full banking services in California.

Tab L- Additional Information and Questions:

1. What differentiates your products and services from other banks? Why should the County select your bank?
2. Will the bank interface directly with, and assume full responsibility for, any and all third-party service providers, such as armored carriers and couriers?
3. Does your bank have any pending litigation with any California government agency clients regarding banking services? If so, please describe each instance.
4. Is a formal disaster recovery plan in place in the event of a system failure or other disaster at the banks primary processing site? Is there a 'hot' backup site? When was the disaster recovery plan last updated and tested?
5. Please provide key measures of your banks financial strength, including total assets, market capitalization, ratings from Standard and Poor's and Moody's. Include a copy of the banks most recent audited financial statement in the exhibits behind **Tab O**.
6. Please provide a copy of all contracts or agreements that will be required to initiate services. The County prefers using a master contract as identified in **Attachment G** with additional subcontracts as needed.

Tab M- Conditions and Stipulations:

The County reserves the right to reject any and all proposals, cancel all or part of this RFP, and waive any non-material irregularities or informalities and to request additional information and clarification regarding any particular service from the proposing banks.

By requesting proposals, the County is in no way obligated to select any proposal or pay expenses of the proposing banks in connection with the preparation or submission of a proposal. The County reserves the right to reject any bank for any reason.

The proposal should be the best effort possible by the bank, since the Treasurer reserves the right to award the contract with no further negotiations. Conversely, the Treasurer reserves the right to negotiate with the successful proposer any additional terms and conditions not contained in their proposal, which are in the best interest of the County or to otherwise revise the scope of this RFP.

All proposals, whether accepted or rejected, shall become the property of the Treasurer. All proposals received become public records.

The County's decision to award a contract will be based on many factors including but not limited to service, cost, experience, financial strength, and ability to deliver, or for any other reason deemed by the Treasurer to be in the best interest of the County. No single factor, such as cost, will determine the final decision to award.

This RFP and the bank's response, including all promises, warranties, commitments, and representations made in the successful proposal, shall become binding contractual obligations, and will be incorporated by the reference in the final agreement between Mendocino County and the selected bank. All terms and conditions not specifically identified as exceptions will be considered acceptable to Contractor.

Additional Exhibits to be Included in Proposal

Tab N - Monthly Account Analysis Sample

Tab O - Audited Financial Statements

Tab P - Cost Proposal Schedule

XIII. FORMAT OF COST PROPOSAL

The Vendor must itemize all costs, including per hour costs, chargeable to the County as described in this Section, in the separate Cost Proposal. Prices quoted shall be valid for at least six (6) months following the proposal submission deadline and if a contract is entered into as a result of this RFP, shall become fixed for the term of the contract.

The County shall be the sole arbiter in the determination of equality. The County reserves the right to reject any proposals and to accept the proposal or proposals which in its sole and absolute judgment shall, under all circumstances, best serve the interests of the County.

All banks must complete the cost schedule on **Attachment H** of this RFP and include it in the proposal as an exhibit behind **Tab P**. The format of the schedule uses the codes as set forth by the Treasury Management Association (TMA). All banks are required to use the TMA format. Monthly volumes for June 2011 are shown on the schedule and are to be used for your pricing proposal.

It may be necessary to add additional items or divide some if there are different prices for various parts of a service. The bank must include any service and applicable fee, which it reasonably knows will be necessary to service a public entity account such as ours.

To assist in the evaluation process, please attach a completed electronic copy of the cost schedule, in Excel format, in an email to schapmis@co.mendocino.ca.us by March 19, 2012. The electronic version of the cost schedule can be obtained from the Treasurer's website at www.co.mendocino.ca.us/tax.

XIV. CONTRACT

A. Time is of the essence in awarding the contract. The County reserves the right to cancel any intent to award and proceed to the next vendor if the selected vendor has not signed the agreement within two (2) weeks after the notification of intent of award.

B. Execution of Contract

1. Upon the acceptance of a Vendor's Proposal, County will prepare and submit a contract to the successful Vendor for signature. (See sample contract, as **Attachment G**, which contains required contractual language.) In the event that the successful Vendor fails, neglects or refuses to execute the contract within two (2) weeks after receiving a copy of the contract from County, County may at its option terminate and cancel its action in awarding the contract and the contract shall become null and void and of no effect.
2. Incorporated by reference into the contract which is to be entered into by County and the successful Vendor pursuant to this Proposal will be (a) all of the information presented in or with this Proposal and the Vendor's response thereto, and (b) all written communications between County and the successful Vendor whose Proposal is accepted.

C. No Assignment

Assignment by the successful Contractor to any third party of any contract based on the Proposal or any monies due shall be absolutely prohibited and will not be recognized by County unless approved in advance by County in writing.

D. Force Majeure

Neither party shall be liable to the other for any failure or delay in rendering performance arising out of causes beyond its control and without its fault or negligence. Such causes may include, but not be limited to, acts of God or the public enemy, freight embargoes, and unusually severe weather; but the failure or delay must be beyond its control and without its fault or negligence. Dates or times of

performance will be extended to the extent of delays excused by this section, provided that the party whose performance is affected notifies the other promptly of the existence and nature of such delay.

E. Contract Term

The term of the AGREEMENT will be for a period of three (3) years with the option, at the discretion of the Mendocino County Treasurer, to extend the AGREEMENT up to three (3) additional one-year periods.

F. Insurance

Prior to commencement of this AGREEMENT, the CONTRACTOR(s) shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR(s) upon request shall provide a certified copy of the policy or policies. Refer to **Exhibit C** (Insurance Requirements) of **Attachment G**, Sample Mendocino County Contract.

XVI. REJECTION OF PROPOSALS

The RFP does not commit the County to award a contract, to pay any costs incurred in the preparation of the proposal to this request, or to procure or contract for services or supplies. The County reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with any qualified source, or to cancel the RFP in part or in its entirety, if it is in the best interest of the County to do so. The County may require the proposer selected to participate in negotiations, and to submit such proposal as may result from negotiations.

Any proposal submitted during this RFP process becomes the property of the County. The County will not be liable for nor pay costs incurred by the respondent in the preparation of a response to this RFP or any other costs involved including travel. The selected contractor will be required to obtain a County business license if not already held.

XVII. GENERAL CONDITIONS

While the intent of the County is to award the contract to the selected Vendor, it reserves the right to both either withdraw and/or not award a contract at any time it so desires. Costs incurred in the preparation of response to this RFP will not be reimbursed.

The County has a standard contract service agreement. The successful firm will be required to agree to the terms contained within. Any issues with the insurance coverage or terms of the standard contract service agreement should be mentioned in the response to the Request for Proposals and documented in detail in **Attachment C – Exceptions to RFP**.

Limitations

- 1) The Vendor should expect to have access only to the public records and public files of local government agencies in preparing the proposal or reports. The Vendor should not anticipate any compilation, tabulation, or analysis of data, definition or opinion, etc., unless volunteered by a responsible official of that agency.
- 2) The County has the authority to terminate the contract upon written notice to the Vendor at any time during the period of the project if the County finds that the Vendor's performance is not satisfactory (as specified in **Attachment G** – Sample Mendocino County Contract, paragraph 20).
- 3) Contract payments will be made on the basis of satisfactory performance by the Vendor as determined by the County. Final payment to the Vendor will only be made when the County finds that the work performed by the Vendor to be satisfactory and the final work product and documents submitted meet the tasks of the project and is accepted by the County.

XVIII. LIST OF RFP ATTACHMENTS

Attachment A - Proposal Summary and Statement of Responsibility (Signature Page)

Attachment B - Proposal Checklist

Attachment C - Exceptions to RFP

Attachment D - Letters of Reference

Attachment E - Certificate of Non-collusion

Attachment F - Proposal Evaluation Form

Attachment G - Sample Mendocino County Contract

Attachment H - Proposed Cost Schedule

Tab A - Table of Contents

Tab B - Minimum Qualifications

Tab C - Check Processing

Tab D - Positive Pay and Non Customers

Tab E - Wires and ACH

Tab F - Deposit Activity

Tab G - Reporting and Cash Position Management

Tab H - Sweep Services

Tab I - Conversion Process

Tab J - Payment for Services – Bank Compensation

Tab K – Experience/References

Tab L - Additional Information and Questions

Tab M - Conditions and Stipulations

Tab N - Monthly Account Analysis Sample

Tab O - Audited Financial Statements

Tab P - Cost Proposal Schedule

**ATTACHMENT A
PROPOSAL SUMMARY AND STATEMENT OF RESPONSIBILITY (SIGNATURE PAGE)**

County of Mendocino
Treasurer-Tax Collector



RFP No. TC 2012-1
Banking Services

RFP No.	TC 2012-1
RFP Issue Date:	January 23, 2012
RFP Submission Deadline:	March 19, 2012

Proposals must be enclosed in a sealed envelope or package, clearly marked "Mendocino County RFP No.TC 2012-1", and delivered by 5:00 p.m. March 19, 2012 to: Mendocino County Treasurer-Tax Collector, Attn: Shari L. Schapmire, 501 Low Gap Road, Room #1060, Ukiah, CA 95482.

Questions regarding this RFP should be directed to:

- Procedural inquires: Shari L. Schapmire
Treasurer-Tax Collector
(707) 463-4325
schapmis@co.mendocino.ca.us
- Technical inquires: Sarah Norbury
Deputy Treasurer-Tax Collector
(707) 463-4321
norburys@co.mendocino.ca.us

This Proposal Summary and Statement of Responsibility (Signature Page) must be included with your submittal in order to validate your proposal. Proposals submitted without this page will be deemed non-responsive.

Vendor Authorized Representative

Company Name: _____ Date: _____

Representative: _____

Title: _____

Phone: _____

Address: _____ Fax: _____

Federal Tax ID No.: _____ Email: _____

RFP Contact Information (if different then above)

Contact Person: _____

Title: _____

Phone: _____ Fax: _____

Address: _____ Email: _____

Certifications:

- 1. Do you agree to comply with specifications, RFP instructions, draft contract requirements and other pertinent references contained in this RFP?
 YES NO

- 2. Do you agree that the proposal will stand firm and will not be withdrawn for a period of six (6) months after the proposal is opened?
 YES NO

- 3. Do you certify that all statements in the proposal are true? This shall constitute a warranty, the falsity of which shall entitle the County to pursue any remedy authorized by law, and shall include the right, at the option of the County, of declaring any contract made as a result thereof to be void.
 YES NO

- 4. Do you agree to provide the County with any other information the County determines is necessary for accurate determination of your qualifications to provide services?
 YES NO

- 5. Do you agree that the proposal amount includes all costs incident to the proposed contract?
 YES NO

- 6. The County of Mendocino has adopted a Local Vendor Preference. Does your company meet the criteria for the five percent cost preference as a local vendor for the County of Mendocino, as described in Section IX(H)(2) AWARD AND CONTRACTING INFORMATION?
 YES NO

To the best of my knowledge and belief, the information provided in this initial determination of responsibilities is true and correct.

Authorized Representative:	_____
	(Printed name)
Signature:	_____
Date:	_____

**ATTACHMENT B
PROPOSAL CHECK LIST**

This proposal checklist identifies the various components that must be submitted with your proposal. This form is to be completed and included in the proposal and must be located directly behind Attachment A.

Proposal Check List	Page No.
Signature Page, signed by authorized representative (RFP Attachment A)	
Proposal Check List (RFP Attachment B)	
Exceptions to the RFP (RFP Attachment C)	
Letters of Reference (minimum of two (2)) (RFP Attachment D)	
Certificate of Non-Collusion, signed by authorized representative (RFP Attachment E)	
Proposed Cost Schedule (RFP Attachment H)	
Insurance Coverage (Certificate of Insurance)	

**ATTACHMENT D
LETTERS OF REFERENCE**

Please list the references (minimum of two (2)) in the section provided below and attach corresponding letters to this form.

Agency	Contact Name/Address	Phone No.	Dates Services Provided (From/Through)

**ATTACHMENT E
CERTIFICATE OF NON-COLLUSION**

The undersigned certifies, under penalty of perjury, that this proposal has been made in good faith and without collusion or fraud with any other person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee, club, or other organization, entity, or group of individuals.

(Name of Proposer)

(Signature of Authorized Agent)

_____, 2012
Date

ATTACHMENT F
COUNTY OF MENDOCINO SAMPLE PROPOSAL EVALUATION FORM
RFP No. [REDACTED]

Vendor Name: _____

Evaluated By: _____

A.	Completeness of Response	Pass/Fail	
B.	Financial Stability	Pass/Fail	
C.	Technical Criteria	Pass/Fail	

NOTE: In the event that the proposal rates a 'Fail' on any of the above, please seek the guidance of the General Services Agency

		Weight	*Rating Scale	Points Total
D.	Cost	15 points		
E.	Implementation Plan and Schedule	35 points		
F.	Relevant Experience	25 points		
G.	References	10 points		
H.	Overall Proposal	15 points		

Evaluation Total (Maximum 550)		
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Comments:

Scoring: (To be performed by the General Services Agency/Purchasing Agent)

Weight X *Rating (per Scale) = Points Total

*Rating Scale: 5 = Excellent 4 = Above Average 3 = Average 2 = Fair 1 = Poor 0 = Unacceptable

ATTACHMENT G – SAMPLE AGREEMENT

This Agreement, dated as of _____, 2012, is by and between the COUNTY OF MENDOCINO, hereinafter referred to as the "COUNTY", and _____, hereinafter referred to as the "CONTRACTOR".

WITNESSETH

WHEREAS, pursuant to Government Code Section 31000, COUNTY may retain independent contractors to perform special services to or for COUNTY or any department thereof; and,

WHEREAS, COUNTY desires to obtain _____ ("Services"); and

WHEREAS, CONTRACTOR is professionally qualified to provide such services and is willing to provide same to COUNTY; and

NOW, THEREFORE it is agreed that COUNTY does hereby retain CONTRACTOR to provide the services described in Exhibit "A", and CONTRACTOR accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

- Exhibit A Definition of Services
- Exhibit B Payment Terms
- Exhibit C Insurance Requirements

The term of this Agreement shall be from _____, 2012 through _____, 20_____.

The compensation payable to CONTRACTOR hereunder shall not exceed _____ Dollars (\$ _____) for the term of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

COUNTY OF MENDOCINO

CONTRACTOR/COMPANY NAME

By: _____
CHAIR, Board of Supervisors

By: _____
Signature

Title: _____

KRISTI FURMAN, Clerk of said Board

NAME AND ADDRESS OF CONTRACTOR:

By _____
Deputy

INSURANCE REQUIREMENTS:

KRISTIN McMENOMEY, Director
General Services Agency

By _____
RISK MANAGER

APPROVED AS TO FORM:

JEANINE B. NADEL, County Counsel

By: _____

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

GENERAL TERMS AND CONDITIONS

1. **INDEPENDENT CONTRACTOR:** No relationship of employer and employee is created by this Agreement; it being understood and agreed that CONTRACTOR is an Independent Contractor. CONTRACTOR is not the agent or employee of the COUNTY in any capacity whatsoever, and COUNTY shall not be liable for any acts or omissions by CONTRACTOR nor for any obligations or liabilities incurred by CONTRACTOR.

CONTRACTOR shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance medical care, hospital care, retirement benefits, social security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind.

CONTRACTOR shall be solely liable for and obligated to pay directly all applicable payroll taxes (including federal and state income taxes) or contributions for unemployment insurance or old age pensions or annuities which are imposed by any governmental entity in connection with the labor used or which are measured by wages, salaries or other remuneration paid to its officers, agents or employees and agrees to indemnify and hold County harmless from any and all liability which COUNTY may incur because of CONTRACTOR's failure to pay such amounts.

In carrying out the work contemplated herein, CONTRACTOR shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered as Independent Contractors and shall not be treated or considered in any way as officers, agents and/or employees of COUNTY.

CONTRACTOR does, by this Agreement, agree to perform his/her said work and functions at all times in strict accordance with all applicable federal, state and County laws, ordinances, regulations, titles, departmental procedures and currently approved methods and practices in his/her field and that the sole interest of COUNTY is to insure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the County agency concerned.

Notwithstanding the foregoing, if the COUNTY determines that pursuant to state and federal law CONTRACTOR is an employee for purposes of income tax withholding, COUNTY may upon two week's notice to CONTRACTOR, withhold from payments to CONTRACTOR hereunder federal and state income taxes and pay said sums to the federal and state governments.

2. **INDEMNIFICATION:** To the fullest extent permitted by law, CONTRACTOR shall hold harmless, defend and indemnify the County of Mendocino, its Board of Supervisors, employees and agents from and against any and all claims, losses, damages, liabilities and expenses, including but not limited to attorneys' fees, arising out of or resulting

from the performance of services under this Agreement, provided that any such claim, loss, damage, liability or expense (1) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of property, including the loss therefrom, or to any violation of federal, state or municipal law or regulation, and (2) is caused in whole or in part by any negligent act, omission or willful misconduct of CONTRACTOR, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by any party indemnified hereunder. The COUNTY may participate in the defense of any such claim without relieving CONTRACTOR of any obligation hereunder.

3. **INSURANCE AND BOND:** CONTRACTOR shall at all times during the term of the Agreement with the COUNTY maintain in force those insurance policies and bonds as designated in the attached Exhibit C, and will comply with all those requirements as stated therein.
4. **WORKERS' COMPENSATION:** CONTRACTOR shall provide Workers' Compensation insurance, as applicable, at CONTRACTOR's own cost and expense and further, neither the CONTRACTOR nor its carrier shall be entitled to recover from COUNTY any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.
5. **CONFORMITY WITH LAW AND SAFETY:**
 - a. In performing services under this Agreement, CONTRACTOR shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. CONTRACTOR shall indemnify and hold COUNTY harmless from any and all liability, fines, penalties and consequences from any of CONTRACTOR's failures to comply with such laws, ordinances, codes and regulations.
 - b. **Accidents:** If a death, serious personal injury or substantial property damage occurs in connection with CONTRACTOR's performance of this Agreement, CONTRACTOR shall immediately notify Mendocino County Risk Manager's Office by telephone. CONTRACTOR shall promptly submit to COUNTY a written report, in such form as may be required by COUNTY of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of CONTRACTOR's sub-contractor, if any; (3) name and address of CONTRACTOR's liability insurance carrier; and (4) a detailed description of the accident and whether any of COUNTY's equipment, tools, material, or staff were involved.
 - c. CONTRACTOR further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the COUNTY the

opportunity to review and inspect such evidence, including the scene of the accident.

6. PAYMENT: For services performed in accordance with this Agreement, payment shall be made to CONTRACTOR as provided in Exhibit B hereto.
7. TRAVEL EXPENSES: CONTRACTOR shall not be allowed or paid travel expenses unless set forth in this Agreement.
8. TAXES: Payment of all applicable federal, state, and local taxes shall be the sole responsibility of the CONTRACTOR.
9. OWNERSHIP OF DOCUMENTS: CONTRACTOR hereby assigns to the COUNTY and its assignees all copyright and other use rights in any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) respecting in any way the subject matter of this Agreement, whether prepared by the COUNTY, the CONTRACTOR, the CONTRACTOR's subcontractors or third parties at the request of the CONTRACTOR (collectively, "Documents and Materials"). This explicitly includes the electronic copies of all above stated documentation.

CONTRACTOR also hereby assigns to the COUNTY and its assignees all copyright and other use rights in any Documents and Materials including electronic copies stored in CONTRACTOR's Information System, respecting in any way the subject matter of this Agreement.

CONTRACTOR shall be permitted to retain copies, including reproducible copies and computerized copies, of said Documents and Materials. CONTRACTOR agrees to take such further steps as may be reasonably requested by COUNTY to implement the aforesaid assignment. If for any reason said assignment is not effective, CONTRACTOR hereby grants the COUNTY and any assignee of the COUNTY an express royalty – free license to retain and use said Documents and Materials. The COUNTY's rights under this paragraph shall apply regardless of the degree of completion of the Documents and Materials and whether or not CONTRACTOR's services as set forth in Exhibit "A" of this Agreement have been fully performed or paid for. In CONTRACTOR's contracts with other contractors, CONTRACTOR shall expressly obligate its Subcontractors to grant the COUNTY the aforesaid assignment and license rights as to that CONTRACTOR's Documents and Materials. CONTRACTOR agrees to defend, indemnify and hold the County harmless from any damage caused by a failure of the CONTRACTOR to obtain such rights from its Contractors and/or Subcontractors.

CONTRACTOR shall pay all royalties and license fees which may be due for any patented or copyrighted materials, methods or systems selected by the CONTRACTOR and incorporated into the work as set forth in Exhibit "A", and shall defend, indemnify and hold the COUNTY harmless from any claims for infringement of patent or copyright arising out of such selection.

The COUNTY's rights under this Paragraph 9 shall not extend to any computer software used to create such Documents and Materials.

10. CONFLICT OF INTEREST; CONFIDENTIALITY: The CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this Agreement. Without limitation, CONTRACTOR represents to and agrees with the COUNTY that CONTRACTOR has no present, and will have no future, conflict of interest between providing the COUNTY services hereunder and any other person or entity (including but not limited to any federal or state wildlife, environmental or regulatory agency) which has any interest adverse or potentially adverse to the County, as determined in the reasonable judgment of the Board of Supervisors of the County.

The CONTRACTOR agrees that any information, whether proprietary or not, made known to or discovered by it during the performance of or in connection with this Agreement for the County, will be kept confidential and not be disclosed to any other person. The CONTRACTOR agrees to immediately notify the COUNTY by notices provided in accordance with Paragraph 11 of this Agreement, if it is requested to disclose any information made known to or discovered by it during the performance of or in connection with this Agreement.

These conflict of interest and future service provisions and limitations shall remain fully effective five (5) years after termination of services to the County hereunder.

11. NOTICES: All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:

Personal delivery: When personally delivered to the recipient, notices are effective on delivery.

First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Telex or facsimile transmission: When sent by telex or facsimile to the last telex or facsimile number of the recipient known to the party giving notice, notice is effective on receipt, provided that (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Any notice given by telex or facsimile shall be deemed received

on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To COUNTY: COUNTY OF MENDOCINO
TREASURER-TAX COLLECTOR
501 Low Gap Road, Room #1060
Ukiah, CA 95482
Attn: Shari L. Schapmire

To CONTRACTOR:

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or telex or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.

- 12. USE OF COUNTY PROPERTY: CONTRACTOR shall not use County property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.

- 13. EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS: CONTRACTOR certifies that it is in compliance with the Equal Employment Opportunity Requirement of Executive Order 11246, as amended by Executive Order 11375 and supplemented I 45CFR, Part 60, Title VII of the Civil Rights Act and any other federal or state laws pertaining to equal employment opportunity and that it shall not discriminate against any employee or applicant for employment on the basis of race, color, religion, age, sex, national origin, ancestry, marital status, political affiliation or physical or mental condition, in matters pertaining to recruitment, hiring, training, upgrading, transfer, compensation or termination.
 - a. CONTRACTOR shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.

 - b. CONTRACTOR shall, if requested to so do by the COUNTY, certify that it has not, in the performance of this Agreement, discriminated against applicants or employees because of their race, creed, color, disability, sex, sexual orientation,

- national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.
- c. If requested to do so by the COUNTY, CONTRACTOR shall provide the COUNTY with access to copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under state or federal law.
 - d. Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act, which is prohibited by law.
 - e. The CONTRACTOR shall include the provisions set forth in paragraphs A through E (above) in each of its subcontracts.
14. **DRUG-FREE WORKPLACE:** CONTRACTOR and CONTRACTOR's employees shall comply with the COUNTY's policy of maintaining a drug-free workplace. Neither CONTRACTOR nor CONTRACTOR's employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any COUNTY facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads nolo contendere to a criminal drug statute violation occurring at a County facility or work site, the CONTRACTOR, within five days thereafter, shall notify the head of the County department/agency for which the contract services are performed. Violation of this provision shall constitute a material breach of this Agreement.
15. **ENERGY CONSERVATION:** CONTRACTOR agrees to comply with the mandatory standards and policies relating to energy efficiency in the State of California Energy Conservation Plan, (Title 24, California Administrative Code)
16. **COMPLIANCE WITH LICENSING REQUIREMENTS:** CONTRACTOR shall comply with all necessary licensing requirements and shall obtain appropriate licenses and display the same in a location that is reasonably conspicuous, as well as file copies of same with the County Executive Office.
17. **AUDITS; ACCESS TO RECORDS:** The CONTRACTOR shall make available to the COUNTY, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to the COUNTY, and shall furnish to the COUNTY, its authorized agents, officers or employees such other evidence or information as the COUNTY may require with regard to any such expenditure or disbursement charged by the CONTRACTOR.

The CONTRACTOR shall maintain full and adequate records in accordance with County requirements to show the actual costs incurred by the CONTRACTOR in the performance of this Agreement. If such books and records are not kept and maintained by CONTRACTOR within the County of Mendocino, California, CONTRACTOR shall, upon request of the COUNTY, make such books and records available to the COUNTY for inspection at a location within County or CONTRACTOR shall pay to the COUNTY the

reasonable, and necessary costs incurred by the COUNTY in inspecting CONTRACTOR's books and records, including, but not limited to, travel, lodging and subsistence costs. CONTRACTOR shall provide such assistance as may be reasonably required in the course of such inspection. The COUNTY further reserves the right to examine and reexamine said books, records and data during the four (4) year period following termination of this Agreement or completion of all work hereunder, as evidenced in writing by the COUNTY, and the CONTRACTOR shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatsoever for four (4) years after the COUNTY makes the final or last payment or within four (4) years after any pending issues between the COUNTY and CONTRACTOR with respect to this Agreement are closed, whichever is later.

18. **DOCUMENTS AND MATERIALS:** CONTRACTOR shall maintain and make available to COUNTY for its inspection and use during the term of this Agreement, all Documents and Materials, as defined in Paragraph 9 of this Agreement. CONTRACTOR's obligations under the preceding sentence shall continue for four (4) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by COUNTY), and CONTRACTOR shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for four (4) years following the COUNTY's last payment to CONTRACTOR under this Agreement.
19. **TIME OF ESSENCE:** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.
20. **TERMINATION:** The COUNTY has and reserves the right to suspend, terminate or abandon the execution of any work by the CONTRACTOR without cause at any time upon giving to the CONTRACTOR prior written notice. In the event that the COUNTY should abandon, terminate or suspend the CONTRACTOR's work, the CONTRACTOR shall be entitled to payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment. Said payment shall be computed in accordance with Exhibit B hereto, provided that the maximum amount payable to CONTRACTOR for its services shall not exceed \$ payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment.
21. **CHOICE OF LAW:** This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
22. **WAIVER:** No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

23. ENTIRE AGREEMENT: This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between COUNTY and CONTRACTOR relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. The Agreement may not be modified except by a written document signed by both parties.
24. HEADINGS: herein are for convenience of reference only and shall in no way affect interpretation of the Agreement.
25. ADVERTISING OR PUBLICITY: CONTRACTOR shall not use the name of County, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of COUNTY in each instance.
26. MODIFICATION OF AGREEMENT: This Agreement may be supplemented, amended or modified only by the mutual agreement of the parties. No supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both parties.
27. ASSURANCE OF PERFORMANCE: If at any time COUNTY believes CONTRACTOR may not be adequately performing its obligations under this Agreement or that CONTRACTOR may fail to complete the Services as required by this Agreement, COUNTY may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to COUNTY, to correct the observed deficiencies in CONTRACTOR's performance. CONTRACTOR shall provide such written assurances and written plan within ten (10) calendar days of its receipt of COUNTY's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this Agreement.
28. SUBCONTRACTING/ASSIGNMENT: CONTRACTOR shall not subcontract, assign or delegate any portion of this Agreement or any duties or obligations hereunder without the COUNTY's prior written approval.
- a. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. Any agreement that violates this Section shall confer no rights on any party and shall be null and void.
 - b. CONTRACTOR shall use the subcontractors identified in Exhibit A and shall not substitute subcontractors without COUNTY's prior written approval.

- c. CONTRACTOR shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between CONTRACTOR and its subcontractors.
29. SURVIVAL: The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (Paragraph 2), Ownership of Documents (Paragraph 9), and Conflict of Interest (Paragraph 10), shall survive termination or expiration.
30. SEVERABILITY: If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.
31. PATENT AND COPYRIGHT INDEMNITY: CONTRACTOR represents that it knows of no allegations, claims, or threatened claims that the materials, services, hardware or software ("CONTRACTOR Products") provided to COUNTY under this Agreement infringe any patent, copyright or other proprietary right. CONTRACTOR shall defend, indemnify and hold harmless COUNTY of, from and against all losses, claims, damages, liabilities, costs expenses and amounts (collectively, "Losses") arising out of or in connection with an assertion that any CONTRACTOR Products or the use thereof, infringe any patent, copyright or other proprietary right of any third party.
- a. COUNTY will: (1) notify CONTRACTOR promptly of such claim, suit or assertion; (2) permit CONTRACTOR to defend, compromise, or settle the claim; and, (3) provide, on a reasonable basis, information to enable CONTRACTOR to do so. CONTRACTOR shall not agree without COUNTY's prior written consent, to any settlement, which would require COUNTY to pay money or perform some affirmative act in order to continue using the CONTRACTOR Products.
- b. If CONTRACTOR is obligated to defend COUNTY pursuant to this Section 31 and fails to do so after reasonable notice from COUNTY, COUNTY may defend itself and/or settle such proceeding, and CONTRACTOR shall pay to COUNTY any and all losses, damages and expenses (including attorney's fees and costs) incurred in relationship with COUNTY's defense and/or settlement of such proceeding.
- c. In the case of any such claim of infringement, CONTRACTOR shall either, at its option, (1) procure for COUNTY the right to continue using the CONTRACTOR Products; or (2) replace or modify the CONTRACTOR Products so that that they become non-infringing, but equivalent in functionality and performance.
- d. Notwithstanding this Section 31, COUNTY retains the right and ability to defend itself, at its own expense, against any claims that CONTRACTOR Products infringe any patent, copyright, or other intellectual property right.

32. OTHER AGENCIES:

Other tax supported agencies within the State of California who have not contracted for their own requirements may desire to participate in this contract. The CONTRACTOR is requested to service these agencies and will be given the opportunity to accept or reject the additional requirements. If the CONTRACTOR elects to supply other agencies, orders will be placed directly by the agency and payments made directly by the agency.

[END OF GENERAL TERMS AND CONDITIONS]

**Attachment H
BANKING SERVICES COST SCHEDULE**

(See Excel Spreadsheet Attached)

**Attachment H
BANKING SERVICES COST SCHEDULE**

(See Excel Spreadsheet Attached)

EXHIBIT A

DEFINITION OF SERVICES

To be determined upon award of contract.

EXHIBIT B

PAYMENT TERMS

To be determined upon award of contract.

EXHIBIT C**INSURANCE REQUIREMENTS**

Insurance coverage in a minimum amount set forth herein shall not be construed to relieve CONSULTANT for liability in excess of such coverage, nor shall it preclude COUNTY from taking such other action as is available to it under any other provisions of this Agreement or otherwise in law.

CONSULTANT agrees to indemnify and hold harmless COUNTY, its elected or appointed officials, employees or volunteers against any claims, actions, or demands against them, or any of them, and against any damages, liabilities or expenses, including costs of defense and attorneys' fees, for personal injury or death, or for the loss or damage to the property, or any or all of them, to the extent arising out of the performance of this Agreement by CONSULTANT.

CONSULTANT affirms that s/he is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for the Workers' Compensation or to undertake self insurance in accordance with the provisions of the Code and CONSULTANT further assures that s/he will comply with such provisions before commencing the performance of work under this Agreement. CONSULTANT shall furnish to COUNTY certificate(s) of insurance evidencing Worker's Compensation Insurance coverage to cover its employees, and CONSULTANT shall require all subcontractors similarly to provide Workers' Compensation Insurance as required by the Labor Code of the State of California for all of CONSULTANT'S and subcontractors' employees.

CONSULTANT shall furnish to COUNTY certificates of insurance with Automobile Liability/General Liability Endorsements evidencing at a minimum the following:

- a. Combined single limit bodily injury liability and property damage liability - \$1,000,000 each occurrence.
- b. Vehicle / Bodily Injury combined single limit vehicle bodily injury and property damage liability - \$500,000 each occurrence.