



**TO PROVIDE THE FOLLOWING:  
BANKING SERVICES AND/OR MERCHANT SERVICES**

**CLOSING DATE: JUNE 7, 2018 AT 4:00 PM**

**CITY OF COOS BAY  
Finance Department  
500 Central Avenue  
Coos Bay, Oregon 97420**

## REQUEST FOR PROPOSALS

### 1) GENERAL BANKING SERVICES 2) MERCHANT SERVICES

The City of Coos Bay, Oregon hereinafter referred to as “City” is seeking proposals for:

#### Categories:

- 1) Banking Services – depository, cash management, ACH and wire processing, purchasing cards, e-payables, payroll cards, metered coin processing, lockbox services, change orders, automated teller machine services, branch services, and other banking services.
- 2) Merchant Services – payment processing by credit, debit, gift card and other electronic methods.

Pursuant to ORS 295.002, an Oregon public official may deposit public funds up to the amount insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Share Insurance Fund of the National Credit Union Administration (NCUA) in any insured financial institution with a head office or branch in Oregon. Public funds deposits that exceed the \$250,000 insurance limits may only be held in a depository qualified by the Oregon Public Funds Collateralization Program (PFCP). Interested firms that are listed on the Oregon State Treasury’s list of qualified depositories for public funds may submit proposals for providing any number of the above stated categories, however, each category shall be proposed separately.

#### **SUBMISSION OF PROPOSAL PACKAGE**

To receive consideration, proposals must be submitted in accordance with the following:

1. Submit one printed and an electronic version of the proposal by 4:00 p.m., June 7, 2018.
2. All proposals shall be sealed, clearly marked on the outside of the envelope “BANKING AND/OR MERCHANT SERVICES”, and delivered to:

Hard copy:           City of Coos Bay           AND   Electronic:   sbaker@coosbay.org  
Finance Department  
500 Central Avenue  
Coos Bay, Oregon, 97420

3. Questions are to be submitted in writing to [sbaker@coosbay.org](mailto:sbaker@coosbay.org) with answers posted on the City’s RFP page, [www.coosbay.org](http://www.coosbay.org). Contact is Susanne Baker at (541) 269-1181 2244.
4. The City reserves the right to reject any and all proposals, and has the right, at its sole discretion, to accept the proposal it considers most favorable to each entity’s interest and the right to waive minor irregularities in procedure.

Proposals received after the time and date set for the RFP closing will not be accepted for any reason. Proposals delivered to an office other than the office indicated in the RFP will not be accepted. It is the sole responsibility of the party submitting the RFP response to ensure the response is received at the designated location on or before the deadline. The City will be the sole judge in determining award of contract and reserves the right to reject all Proposals. Contractor agrees to comply with all applicable requirements of federal, state, and local civil rights and rehabilitation statutes, rules, and regulations if awarded a contract by the City.

## **BANKING SERVICES AND MERCHANT SERVICES**

### **SECTION 1: GENERAL INFORMATION**

#### **1.1 BACKGROUND INFORMATION**

The City of Coos Bay, with an estimated population of 17,000, has a seven member City Council and appoints a City Manager who is the chief administrative officer of the City. The City Manager appoints the heads of all City departments, including a Finance Director who supervises the financial affairs of the City; operation of an accounting system in conformity with generally accepted accounting principles and practices, and receipt, custody, and disbursement of all City funds.

The City provides a full range of municipal services including fire, police, parks, planning, building and safety, streets, economic development, urban renewal, water/wastewater/stormwater utilities, library, and central services. The City of Coos Bay also has an Urban Renewal Agency and provides the accounting functions for the Coos Bay North Bend Visitor Convention Bureau. The combined annual budgets are approximately \$85 million and the City employs 118 people. Employees are paid on a monthly basis, resulting in 12-pay periods per year with payroll expenditures totaling \$13 million, mostly by Automated Clearing House (ACH). In addition, the City processes, large contractor payments and non-construction vendor invoices are issued several times a week basis.

#### **1.2 EXISTING ACCOUNTS AND HISTORICAL VOLUMES**

The Finance Department manages all banking, merchant, investment and debt services and provides training/ advice/support in a centralized revenue receipting center.

The City currently concentrates the majority of its banking and financial services with one bank. The City anticipates continuing utilizing one banking partner but reserves the right to select multiple vendors, and obtain financial services from other firms as needed. A summary of the City's current bank accounts, transaction volume, are shown in the bid tabulation table.

### **SECTION 2: SCOPE OF SERVICES**

The City of Coos Bay is searching for banking services and/or a merchant services partner(s) to support its commitment to provide quality municipal services in an innovative and cost effective manner.

It is anticipated that services will be required from July 2018 through June 2025. Any agreement resulting from this RFP may be effective through this date, with an option to renew for an additional three (3) year term, for a maximum of ten years. A Proposer(s) should be capable of providing all required services of one or more of the banking services categories required in this proposal. Notwithstanding, the City reserves the right to cancel, for cause, any contracts or agreements arising from this RFP with a sixty (60) day written notice.

The City does not currently utilize all of the services listed below but does seek a partner who is apprised and stays current with technology and can assist the City in efficient financial management as improved technology is implemented.

#### **2.1 BANKING SERVICES**

The City seeks state-of-the-art electronic and web-based banking capabilities to enable

more efficient management of the City's public funds, while meeting all regulatory requirements and best practices. The City is reviewing the opportunities created through the automation of deposits and payments, implementation of technological advancements, and equipment available to improve processing efficiencies, including but not limited to the use of: lockbox processing, remote deposits, payment kiosks, e-payables, purchasing cards, and payroll cards.

## **2.2 MERCHANT SERVICES**

The City is interested in the capability of financial institutions to provide fully-integrated and web-based payment processing for credit/debit/gift cards, electronic funds transfer (EFT), and other forms of e-commerce payments on a single or repetitive basis. The City may expand its existing payment processing options of on-site, telephone to Xpress Bill Pay, customer online banking, online payments through Xpress Bill Pay, or establishment of automatic bill payments for the City's accounts. The ideal proposer will provide the highest level of customer service, which means at a minimum, the ability to secure the data on the provider's network, ease of use, reliability, customized reporting, and integrated payment data coordination capabilities without the need for additional equipment or hardware.

## **SECTION 3: INFORMATION AND INSTRUCTIONS TO PROPOSERS**

### **3.1 QUALIFICATION REQUIREMENTS**

Each Proposer shall respond to the proposal requirements as presented in this RFP. Proposals received without the required information may be rejected as being non-responsive.

The City shall have the right to disqualify any proposal as a result of the information gathered in its research.

### **3.2 PRE-PROPOSAL INTERPRETATION OF CONTRACT DOCUMENTS AND REQUESTED CHANGES**

Technical questions relating to the requirements of the RFP and/or the RFP process should be directed in writing to Susanne Baker at [sbaker@coosbay.org](mailto:sbaker@coosbay.org). 541-269-1181 ext 2244.

Any person who contemplates submitting a proposal in response to this RFP and who finds discrepancies in, or omissions from, or is in doubt as to the true meaning of any part of the RFP document must submit a written request for a clarification or interpretation thereof at least ten (10) City business days prior to the date set for the RFP closing date. Any clarification or interpretation of the proposal documents will be made only by written notification. The City is not responsible for any explanation, clarification, or interpretation given in any manner except by written notification.

Any person who contemplates submitting a proposal in response to this RFP and who wishes to have the City consider a change in any part of the RFP document must submit a written request for a change or substitution at least ten (10) City business days prior to the date set for the RFP closing date. The request must include the proposed change and the reason for the change. Protest against award based on the specifications or other content of the RFP will not be considered after this time. Changes to this RFP document shall only be by written addenda.

A copy of any written clarification or interpretation and of each addendum will be placed on the City's website [coosbay.org](http://coosbay.org) under Government, Bids/RFP's/RFQ's. If an addendum is issued within ten (10) City business days prior to the date set for the RFP closing date, it shall be emailed only to those prospective proposers who have provided their email information to [sbaker@coosbay.org](mailto:sbaker@coosbay.org) as of that date. Any addendum so issued is to be considered a part of the RFP document. The City is not responsible for any change or approval made or given in any manner except by addenda. Addenda, if necessary, will be issued not later than five City business days prior to the RFP closing date. Addenda shall be signed by the same individual that signs the proposal and **SHALL BE SUBMITTED** with the proposal or as otherwise directed by instructions printed on the addenda. Proposals received without properly signed addenda may be considered non-responsive.

### 3.3 PROTEST OF SOLICITATION DOCUMENT AND THE PROCUREMENT PROCESS

Bidders who wish to appeal a disqualification of proposal or the award of contract may submit the appeal in writing to the City Manager's Office within five (5) working days of the postmarked Notice of Award or disqualification. Disagreement with the process, e.g., scoring by evaluators, is not subject to appeal.

Address: City of Coos Bay  
Attn: City Manager  
500 Central Avenue  
Coos Bay OR 97420

**The written protest must be submitted with a certified check or cashier's check in the amount of \$500.00 to cover the costs of processing the protest**

### 3.4 EXECUTION OF THE PROPOSAL

The proposal shall be executed in the name of the Proposer(s) followed by the signature of the officer authorized to sign for the printed or typewritten designation of the office held.

If the proposal is made by a partnership, it shall be executed in the name of the partnership followed by the signature of an authorized partner.

If the proposal is made by a Limited Liability Company (LLC), it shall be executed in the name of the LLC followed by the signature of the authorized member(s) or manager(s) authorized to sign for the LLC and the printed or typewritten designation of the office held in the LLC.

If the proposal is made by a corporation, it shall be executed in the name of the corporation followed by the signature of the officer authorized to sign for the corporation and the printed or typewritten designation of the office they hold in the corporation.

If the proposal is made by a joint venture, it shall be executed by each participant of the joint venture.

### 3.5 SUBMISSION OF PROPOSAL

Proposals will be received until, but not after, **4:00 p.m. (local time), June 7, 2018.** For each category being proposed, one combined emailed proposal is to be sent to

[sbaker@coosbay.org](mailto:sbaker@coosbay.org) and one combined original hard copy proposal signed by an authorized representative is to be delivered to:

City of Coos Bay  
Finance Department  
500 Central Avenue  
Coos Bay, Oregon, 97420

### **3.6 RESPONSE DATE**

In order to be considered for selection, proposals must arrive at the Finance Department on or before the date and time specified in the RFP advertisement. Proposer(s) mailing responses should allow normal mail delivery time to ensure timely receipt of their materials. Any proposal received after the scheduled closing time for receipt of proposals, or addressed to an office, will not be considered and will be returned to the Proposer(s) unopened. Delivery in the manner stated herein and completeness of submittals as required by this RFP shall be solely the responsibility of the Proposer(s). Submission of proposals or additional information offered after the closing date and time shall not be accepted or considered.

### **3.7 WITHDRAWAL OF PROPOSAL**

Proposer(s) may withdraw its proposal, by written notice submitted on the Proposer's letterhead, signed by the Proposer's authorized representative, delivered to the Finance Department. To be effective, the withdrawal must be received prior to the closing date. The Proposer or Proposer's authorized representative may withdraw their proposal by appearing in person before authorized Finance Department staff prior to closing, with presentation of appropriate identification and evidence of authority to make the withdrawal. The Proposer(s) shall mark a written request to withdraw its proposal as follows: "Proposal Withdrawal - Banking and/or Merchant Services."

### **3.8 NOTICE TO PROCEED**

The successful Proposer(s) may be given ten (10) calendar days to execute the contract and return it to the City. Contractual work may not begin until the notice to proceed has been issued. The notice to proceed will be issued after execution of the contracts by the City. The notice to proceed will authorize commencement of the work based on the contract.

### **3.9 RIGHTS OF THE CITY TO AWARD OR REJECT PROPOSALS**

The RFP does not commit the City to award or enter into a contracts or service agreements. Under no circumstances will the City pay the costs incurred in the preparation of a response to this request. The City reserves the right to:

- Accept or reject any or all proposals or any portion thereof received as a result of this RFP.
- Negotiate with any Proposer(s).
- Accept a proposal and subsequent offers for contract from other than the lowest cost proposed.

- Waive any immaterial defects and irregularities in proposals and to waive or modify any irregularities in proposals received, after prior notification to the Proposer(s).
- In determining the most responsive Proposer(s), take into consideration any or all information supplied by the Proposer(s) in the proposal and the City's investigation into the experience of the Proposer(s). In addition, the City may accept or reject proposals based on minor variations from the stated specifications and when such action is deemed to be in the City's best interest.
- Negotiate a final scope and price with the selected Proposer(s) that may differ in some respects from this RFP.
- To seek clarifications of each proposal.
- If Proposer(s) chooses to participate in negotiations, they may be asked to submit additional information, or other revisions to their proposals as may be required.
- Consider proposal modifications received at any time before the award is made, if such action is in the best interest of the City.
- To negotiate a final contract that is in the best interest of the City. The successful Proposer(s) shall commence services only after a contract or agreement with the City is fully executed and the City has issued a "Notice to Proceed."

### 3.10 ANTICIPATED SCHEDULE

May 2018 .....	Begin RFP Solicitation
June 7, 2018 at 4:00 PM (local time) .....	RFP Closing Date
June 2018 .....	Notice of Intent to Award
July 2018 .....	Contract Award

*The City reserves the right to change the above schedule.*

### 3.11 CONTRACT ADMINISTRATOR

The City's Contract Administrator for the services required within this RFP will be Susanne Baker, Finance Director, who may be reached at the City of Coos Bay, Finance Department, telephone 541-269-1181 ext 2244.

### 3.12 ECONOMY OF PROPOSAL PREPARATION

Proposals should be prepared simply and economically, by providing a straightforward, concise description of the Proposer's capabilities related to specified elements units or services. Proposals should not include any information not specifically identified or specified as a required response.

### 3.13 ADDENDA

If an addendum is issued within ten (10) City business days prior to the date set for the RFP closing date, it shall be emailed only to those prospective proposers who have provided their email information to [sbaker@coosbay.org](mailto:sbaker@coosbay.org) as of that date. It will also be placed on the City's website where the RFP can be found. The City is not responsible for any explanation, clarification, interpretation, or approval made or given in any manner except by addenda. Addenda, if necessary, will be issued not later than five (5) City

business days prior to the RFP closing date. Addenda shall be signed by the same individual that signs the proposal and **SHALL BE SUBMITTED** with the proposal. Proposals received without properly signed addenda may be considered non-responsive.

### **3.14 PROTESTS OF ADDENDA**

A prospective Proposer may submit a written protest to an addendum within 48 hours after issuance of the addendum. The written protest shall (1) Sufficiently identify the addendum being protested; (2) Identify the specific grounds that demonstrate how the addenda is contrary to law, unnecessarily restrictive, legally flawed or improperly specifies a brand name; (3) Include evidence or supporting documentation that supports the grounds on which the protest is based; (4) Identify the relief sought; and (5) Include a statement of the desired changes to the addendum that the prospective Proposer believes will remedy the conditions upon which the bidder based its protest. The City will not consider a protest to matters not added or modified by the protested addendum. Delivered to the City Manager's Office 500 Central Ave, Coos Bay, Oregon 97420.

**The written protest must be submitted with a certified check or cashier's check in the amount of \$500.00 to cover the costs of processing the protest**

### **3.15 ACCEPTANCE OF PROPOSAL CONTENT**

The contents of the proposal of the successful Proposer(s) will become contractual obligations if acceptance action ensues. Failure of the successful Proposer(s) to accept these obligations in a contract may result in cancellation of the award.

### **3.16 PUBLIC RECORDS AND CONFIDENTIALITY OF PROPOSAL**

This Request for Proposal and original response, together with copies of all documents pertaining to the selection of the successful Proposer(s) and execution of a copy of the executed agreement, shall be kept for the City by the Finance Department for a period of time as specified in the Oregon State Archive rules and made a part of a file or record which shall be open to public inspection.

- A. *Public Records.* By submitting a Proposal, the Proposer(s) acknowledges that information submitted in response to this RFP is open to public inspection under the Oregon Public Records Law, ORS 192.311 through 192.338. The Proposer(s) are responsible for becoming familiar with and understanding the provisions of the Public Records Law.
- B. *Confidential Records.* The Proposer(s) may identify information submitted to the City as confidential. Prior to submitting such information to the City, the Proposer(s) shall prominently mark in conspicuous lettering any information with the words "Confidential Information" and state in writing that the Proposer(s) wishes the material to be held in confidence and the reasons therefore. The City may treat any information so marked as confidential and not subject to public disclosure to the extent permitted by law. If the City receives any public records request for disclosure of such information, within ten days of receiving any such request, the City shall provide the Proposer(s) with written notice of the request, including a copy of the request. The Proposer(s) shall have ten days within which to provide a written response to the City, before the City may disclose any of the requested confidential information. Whether the Proposer(s) submits any written response to the City, the City shall retain the final discretion to determine whether to release the receipt of any



response from the Proposer(s) prior to releasing such information. The Proposer(s) does not waive any rights to seek a protective order from a court of competent jurisdiction restraining the City from disclosing such information.

**Note: Under no circumstances will any proposal information be disclosed by the City prior to contract award.**

### **3.17 HUMAN RIGHTS**

The City of Coos Bay will require the Consultant to comply with all applicable requirements of federal, state, and local civil rights and rehabilitation statutes, rules and regulations if awarded a contract by the City.

### **3.18 DISCRIMINATION IN SUBCONTRACTING PROHIBITED**

Proposers certify by submitting their proposal that the Proposer has not discriminated, and will not discriminate, in the award of a subcontract because the subcontractor is a minority, women or emerging small business enterprise certified under ORS 200.055 or a business enterprise that is owned or controlled by or that employs a disabled veteran, as defined in ORS 408.225, in awarding subcontracts as required by ORS 279A.110.

### **3.19 NOTICE OF INTENT TO AWARD**

All responsive and evaluated respondents to the formal RFP will be notified of the City's intent to award contracts not less than ten days prior to award. The City will issue a notice of intent to award based on the results of its evaluation process. The notice of intent to award contracts will be directed to the person who has signed the proposal on behalf of the Proposer(s).

### **3.20 PROTEST OF INTENT TO AWARD**

A Proposer may protest the award of contracts or the intent to award such contracts, whichever occurs first, if the proposer claims to have been adversely affected or aggrieved by the selection of a proposer. A proposer submitting a protest must claim that the protesting proposer is the highest ranked proposer because the proposals of all higher ranked proposers failed to meet the requirements of the RFP or because the highest ranked proposers otherwise are not qualified to perform the services described in the RFP. The proposer must deliver the written protest to the City Manager within ten (10) days after issuance of the notice of intent to award the contract or if no notice of intent to award is issued, within forty-eight hours after award. A proposer's written protest shall specify the grounds for protest to be considered by the City pursuant to ORS 279B.410(2). The City Manager shall not consider a proposer's contract award protest submitted after the above timeline.

**The written protest must be submitted with a certified check or cashier's check in the amount of \$500.00 to cover the costs of processing the protest.**

### **3.21 INCURRED COSTS**

Neither the City, nor its officers, agents, or employees are liable for any cost incurred by Proposer(s) prior to issuance of an agreement, contract, or purchase order. All prospective Proposer(s) who respond to this RFP do so solely at the Proposer's cost and expense.

### **3.22 NO WARRANTY**

All facts and opinion stated within this RFP and all supporting documents and data are based upon information available from a variety of sources. No representation or warranty is made with respect thereto.

### **3.23 STATEMENT OF TIME**

A period of time, unless stated as a number of City business days, shall include Saturdays, Sundays, and holidays.

The word “day” as used in this RFP document, and any resulting contract awarded as a result of this process, shall constitute a calendar day of 24 hours measured from midnight to the next midnight.

When a time period is identified by days, it is computed by excluding the first day and including the last day. When the last day falls on a Saturday, Sunday, or the City’s holiday, that time period shall extend to the next City business day.

### **3.24 RIGHT TO AUDIT**

The successful Proposer(s) shall maintain financial records and other records as may be prescribed by the City or by applicable federal and state laws, rules, and regulations. The successful Proposer(s) shall retain these records for a period of five years after final payment, or until they are audited by the City, whichever event occurs first. These records shall be made available during the term of the contracts and the subsequent five-year period for examination, transcription, and audit by the City, its designees, or other authorized bodies.

### **3.25 ACCEPT OR REJECT PROPOSALS**

The City reserves the right to accept or reject any or all proposals in response to this RFP without cause or to delay or cancel this RFP process without liability to the City if the City determines it is in the public interest to do so.

### **3.26 ADDITIONAL INFORMATION**

The City reserves the right to request additional information following their initial review of the proposal documents that the City deems reasonably necessary to evaluate, rank, and select the most qualified proposer(s). City staff may conduct a review and verification of confidential information with staff and consultants.

### **3.27 RIGHT TO MODIFY PROCESS**

The City reserves the right to modify the selection process or other aspects of this RFP process at its sole discretion. The Finance Department will take reasonable steps to insure that any modification or clarification to the RFP shall be distributed to all persons who have contacted the City of Coos Bay as an interested firm.

### **3.28 DEBARMENT OF PROPOSER**

The City of Coos Bay may debar prospective proposers from consideration for contracts for a period of not more than three years if:

- (1) The prospective proposer has been convicted of a criminal offense as an incident in obtaining or attempting to obtain a public or private contractor subcontract or in the performance of such contract or subcontract;
- (2) The prospective proposer has been convicted under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property or any other offense indicating a lack of business integrity or business honesty that currently, seriously and directly affects the prospective proposer's responsibility as a contractor;
- (3) The prospective proposer has been convicted under state or federal antitrust statutes;
- (4) The prospective proposer has committed a violation of a contract provision and debarment for such a violation was listed in the contract terms and conditions as a potential penalty. A violation may include, but is not limited to, a failure to perform the terms of a contract or an unsatisfactory performance of the terms of the contract. A failure to perform or an unsatisfactory performance caused by acts beyond the control of the contractor may not be considered to be a basis for debarment; or
- (5) The prospective proposer does not carry workers' compensation or unemployment insurance as required by applicable law.

The City of Coos Bay shall give written notice of the reasons for the debarment and the proposed length of debarment to the person for whom debarment is being considered. The proposer shall be given not less than 14 days to respond in writing. The City of Coos Bay shall issue a written decision that states the reason for the action taken and that informs the proposer of the proposer's appeal rights.

### **3.29 PROPOSALS SUBMITTED BY CITY EMPLOYEES PROHIBITED**

The City will not purchase any goods or services from City employees unless City Council expressly authorizes the purchase or the purchase is necessary during a state of emergency and the City Manager approves the purchase.

## **SECTION 4: CONTRACT TERMS AND REQUIREMENTS**

### **4.1 FORFEITURE OF THE CONTRACT**

This contract may be canceled at the election of the City at any time for any willful failure or refusal by the Proposer(s) to perform according to the terms of a contract or agreement as herein provided.

### **4.2 NON-ASSIGNMENT**

If contracts are awarded, it shall not be assigned, nor duties be delegated, in part or in total without consent of the City. Reasonable requests for assignment of the contracts may be granted based on the sole determination of the City.

### **4.3 LIABILITY INSURANCE**

The successful Proposer(s) must submit proof of insurance with the limits noted in Appendix F as part of the contract signing process and prior to beginning work.

#### **4.4 WORKERS' COMPENSATION LAW**

All subject employers working under an awarded contract are either employers that will comply with ORS 656.017 or employers that are exempt under ORS 656.126. Proof of compliance will be required prior to contract execution. (See Appendix F.)

#### **4.5 LAWS OF THE STATE OF OREGON**

By submitting a proposal in response to this RFP, Proposer(s) agree that, any terms and conditions stated within any agreement that is awarded as a result of this solicitation shall also include the following laws of the State of Oregon are hereby incorporated by reference into the Agreement: ORS 279B.220, 279B.225, 279B.230 and 279B.235.

Any contracts awarded and/or purchase order issued as a result of this solicitation shall be governed by the laws of the State of Oregon without regard to conflict of laws principles. Exclusive venue for litigation of any action arising under the Agreement shall be in the Circuit Court of the State of Oregon for Coos County unless exclusive jurisdiction is in federal court, in which case exclusive venue shall be in the federal district court for the district of Oregon. Each party expressly waives any and all rights to maintain an action under this Agreement in any other venue, and expressly consents that, upon motion of the other party, any case may be dismissed or its venue transferred, as appropriate, so as to effectuate this choice of venue.

#### **4.6 INTELLECTUAL PROPERTY RIGHTS**

If the successful Proposer(s) creates work pursuant to these documents that results in a copyright, patent or any other protected intellectual property right, the City shall obtain a royalty-free, nonexclusive and irrevocable right and license to reproduce, publish, or otherwise use, and to authorize others to use the work, or any part thereof, developed.

#### **4.7 PROPOSER'S FORMS**

Any additional forms that the Proposer expects to submit to the City at a later date for signature may not conflict with the intent or specifics of this RFP and, although they will not be evaluated, they must be submitted with the proposal. Any such form must include the contract terms identified in the RFP. Examples of these forms include, but are not limited to, the following:

1. Agreement form(s)
2. Supplemental agreement forms
3. Ordering forms
4. Work order forms
5. Software licensing agreements, if applicable

Submission of any such forms shall not be considered a waiver or amendment to any RFP requirement and any Proposal conditioned upon acceptance of any such forms shall be considered non-responsive. The City in its sole discretion may approve the form, require modifications, or reject the forms.

#### **4.8 CONTRACT TERM**

These contracts shall commence on July 1, 2018, and continue until June 30, 2025, and upon renewal (see renewal clause) shall continue for an additional three (3) year term for a maximum contract term of ten (10) years.

#### **4.9 RENEWAL**

If the City determines that it is in the City's best interest, the City may elect to extend the contracts for additional terms subject to the following conditions:

- a. Approval by the City and budget approval.
- b. Service has been determined, by the Finance Director, to be satisfactory.
- c. Price remains firm for the additional terms; adjusted only for any escalation/ de-escalation allowed under the terms of the contracts.
- d. Agreement to extend the contracts, in writing, by the Provider (successful Proposer(s)) after a minimum 30 calendar days notice by the City prior to the expiration of the contracts.

#### **4.10 TERMINATION FOR LACK OF APPROPRIATIONS**

The City may terminate all or portions of this Contract for lack of funds, if the successful Proposer(s) are notified by certified mail 30 calendar days in advance.

#### **4.11 COOPERATIVE PURCHASING**

Pursuant to ORS 279A.205 thru 279A.215, other public agencies and members of the Oregon Cooperative Purchasing Program (ORCPP) may use the purchase agreement resulting from this RFP unless Proposer expressly notes in the proposal that the prices quoted are available to the City only. The condition of such use by other agencies is that any such agency must make and pursue contact, purchase order, delivery arrangements, and all contractual remedies directly with the successful Proposer(s); the City accepts no responsibility for performance by either the successful Proposer(s) or such other agency using this agreement. With such condition, the City consents to such use by any other public agency.

#### **4.12 ESCALATION/ DE-ESCALATION AGREEMENT**

Prices shall remain firm throughout the initial contract term except in the case of price decreases. Price decreases will be allowed the first of the month following receipt of communication, or the effective date, whichever is later.

**Price increases will be considered at the time of contract renewal.** Successful Proposer(s) must submit a written request with documentation justifying any price increase at least 45 calendar days prior to contract renewal to the Finance Department. Acceptable documentation shall include, but not be limited to, provider's or manufacturer's published price list, discount schedule or other basis of change in manufacturer pricing structure, invoices, journal or market reports, consumer price index, or other information deemed acceptable by the Finance Department. Proposed price increases shall not exceed the consumer price index for this region. Provider is to provide all documentation for verification purposes.

The City shall have the option of accepting the price increase or ending the contracts and issuing a new RFP for the services or follow such public contracting rules to procure the required services. The City reserves the right to audit the records of the successful

Proposer(s) when requesting price increases to the extent that such records relate to cost or pricing data.

#### **4.13 TYPE OF CONTRACT**

This is a non-exclusive contract (services provided routinely throughout year), with renewal provisions (see Subsection 4.8 and 4.9) and escalation/de-escalation agreement (see Subsection 4.12).

#### **4.14 FORM OF PROCUREMENT CONTRACT**

Any procurement contract that is awarded as a result of this RFP will incorporate the RFP document, the successful Proposer's written proposal, any required certificates, and all other documents incorporated by reference therein.

It is the City's intent to award contracts in substantially the form of the Agreement attached as Appendix E. Proposer may submit an alternative Agreement (see Subsection 4.7) for the City's review. The City, at its sole determination, may approve the Proposer's offered Agreement as is, require modifications, or reject the Proposer's Agreement and require that the City's contracts be executed for the purpose of this procurement.

A Proposer may not condition its Proposal on execution of any Agreement it submits. Any such condition shall result in rejection of the Proposal.

### **SECTION 5: PROPOSAL SUBMITTAL REQUIREMENTS**

#### **5.1 GENERAL INFORMATION**

It is highly recommended that the Proposers organize and present their Proposal materials in the order presented below. In addition, proposals must be received by the City in strict compliance with the requirement for submittal date, time, and place as stated in the RFP solicitation.

#### **5.2 REQUIRED INFORMATION**

The proposal shall include, as a minimum, the following items:

##### **5.2.1. Minimum Qualifications for All Services**

All Proposers submitting a proposal must certify that they meet the minimum qualifications listed below by providing a statement confirming your compliance. Failure to meet any qualification listed in 5.2.1.1 through 5.2.1.13 below will disqualify prospective proposer from further consideration of contract award.

5.2.1.1 Be a Federal or State of Oregon chartered financial institution.

5.2.1.2 Be in compliance with all applicable laws, rules, and regulations of the State of Oregon and the United States.

5.2.1.3 Be listed as a "well capitalized bank" in the State of Oregon's Qualified Depository for Public Funds Program per ORS 295.002.

5.2.1.4 Be able to process in the National Automated Clearing House Association network.

5.2.1.5 Have extensive experience in servicing the banking or merchant needs of local government agencies, specifically with Oregon

- governmental agencies and Oregon banking experience.
- 5.2.1.6 Be able to provide an account representative with extensive experience in government banking services who is fully authorized to represent the bank in all areas of the account relationship.
- 5.2.1.7 Provide secure, web-based portals which provide real time access to the City's accounts.
- 5.2.1.8 Be able to sign a comprehensive City contract with set pricing for the full term of the contract, including optional extension period with escalation/de-escalation clause. (See the sample contract.)
- 5.2.1.9 Be able to provide the last two (2) years of audited annual financial statements for the bank, and its holding company if applicable.
- 5.2.1.10 Have an adopted identity theft prevention policy per FTC 16 C.F.R. § 681 and ORS 646A.622, the Oregon Consumer Identity Theft Protection Act (OCITPA).
- 5.2.1.11 The City does not store personal financial data on City servers. The Proposer must be able to store data on a secure server meeting SSL security protocol to ensure the privacy and protection of financial data.
- 5.2.1.12 Have an established and published disaster recovery plan for the bank as well as the City's service continuity.
- 5.2.1.13 Meet the City's insurance coverage requirements for the duration of the contract term.

## **5.2.2 Required Services for General Banking**

In addition to Section 5.2.1 Minimum Qualification for All Services, a Proposer wishing to submit a proposal for general banking must certify that the Proposer meets all of the following qualifications by submitting a statement of confirmation. Failure to meet any qualification listed in 5.2.2.1 through 5.2.2.20 below could disqualify prospective proposer from further consideration of contract award.

- 5.2.2.1 Be a member of the Federal Reserve System and have access to all services.
- 5.2.2.2 Be insured by the Federal Deposit Insurance Corporation (FDIC), or the National Credit Union Association (NCUA).
- 5.2.2.3 Be sufficiently capitalized to accommodate the City's cash/investment needs. The capital-to-asset ratio should exceed 6% including loan loss reserves.
- 5.2.2.4 Be able to transfer funds to/from the State of Oregon's Local Government Investment Pool.
- 5.2.2.5 Be in compliance and good standing with the Community Reinvestment Act.
- 5.2.2.6 Agree to notify the City in writing immediately upon any requirement to increase the bank's collateralization level (e.g. from 50% to 100%).
- 5.2.2.7 Agree to assign experienced and dedicated staff who are committed to and capable of serving the City's accounts. A primary and secondary relationship manager must be designated.
- 5.2.2.8 Provide secure, web-based banking services for all transactions, services, imaging, and reporting.

- 5.2.2.9 Provide options for establishing web-based customer banking rights and security at varying levels with appropriate internal control and reporting functionality. (Common rights desired include: administrator, supervisor, processor/user, and read only.)
- 5.2.2.10 Provide basic services such as:
- a. Sending/receiving funds by ACH and wire service.
  - b. Full positive pay service with the ability to receive alerts and create exception rules.
  - c. ZBA options with daily files containing debit/credit detailed by account.
  - d. Blocks and filters to limit electronic debits/credits by Originating ID and dollar amounts.
  - e. Check 21 deposit services and other forms of remote deposit services.
  - f. Secure electronic data file transmission for account reconciliations.
  - g. Controlled disbursement accounts.
  - h. Universal Payment Identification Code (UPIC) services.
  - i. Online approval process for City staff to set up payments, etc. to comply with the City's internal control structure.
- 5.2.2.11 Be able to service the City's multiple accounts (three), and provide options for streamlining cash management (e.g. zero balance accounts-ZBA, deposit slips with location codes, etc.). Detailed reporting by account, location, and transaction type is required.
- 5.2.2.12 Provide reports in Excel or CSV downloadable format.
- 5.2.2.13 Provide a monthly analysis report summarizing the charges by service for each account.
- a. The prior month's report must be available on-line within two business days.
  - b. Be able to settle account analysis charges on a monthly basis.
  - c. Be able to offset/reduce banking fees through an earnings credit allowance based on the average daily collected balances of the City's combined accounts.
- 5.2.2.14 Be able to provide funds on deposit interest credit to the City's bank account within one day of settlement.
- 5.2.2.15 Work with the City to implement upgrades/enhancements to the financial systems.
- 5.2.2.16 Have branch locations that provide a full range of banking services within Coos Bay or North Bend, Oregon.
- 5.2.2.17 Provide extended customer service and technical support hours in Pacific Standard Time.
- 5.2.2.18 Be in compliance, and remain compliant, with Payment Card Industry Data Security Standards for the processing of card payments.
- 5.2.2.19 Provide lockbox services that meet the following requirements:
- a. Must have the ability to daily capture and electronically transmit payment remittance detail to the City in a format that can be uploaded into the City's software system(s).
  - b. Must provide same-day deposit of funds received into the



lockbox each business day.

- c. Must have the ability to securely archive payment remittance detail and make that detail available online within one day of processing.
- d. Must have a process for logging and recording reconciliation issues in a secure and expedient manner.
- e. Must have the ability to charge lockbox service fees through the account analysis statement.

5.2.2.20 Provide a purchasing card program and/or e-payable programs as cost-effective methods for the City to purchase goods or services. The proposer's program(s) must meet the following requirements:

- a. Provide an experienced account representative and/or team responsible for initial set-up, implementation, program maintenance, and issue resolutions in a prompt and complete manner.
- b. Provide a web-based approval and reconciliation process that can electronically integrate into the City's financial management system; currently Caselle.
- c. Provide software that is simple, easy to use, and enables web based management (e.g. approvals, rejections, comments, and card cancellations).
- d. Ability to administer the purchasing card program by alternate means, in the event the web-based services are unavailable.
- e. Ability to establish varying levels of internal control (e.g. administrator, auditor, manager, supervisor, user, read only), and obtain periodic audit reporting at various levels.
- f. Ability to manage spending limits, controls and reporting at multiple levels (e.g. by individual card, by position, by department, by merchant category code, location, or time).

### **5.2.3 Required for Merchant Services**

In addition to Section 5.2.1 Minimum Qualification for All Services, a Proposer wishing to submit a proposal for merchant services must certify that the Proposer meets all of the following qualification by submitting a statement of confirmation. Failure to meet any qualification listed in 5.2.3.1 through 5.2.3.11 below could disqualify prospective proposer from further consideration of contract award.

5.2.3.1 Provide an experienced account representative and/or team responsible for initial set-up, implementation, program maintenance, and issue resolutions in a prompt and complete manner.

5.2.3.2 Be in continual compliance with Payment Card Industry Data Security Standards and provide expertise and guidance regarding PCI compliance to the City.

5.2.3.3 Ability to service the City's merchant processing needs in multiple locations and multiple payment options: point of sale, online by push and pull, by telephone (IVR), by mobile device, and mail order/telephone order (MOTO).

5.2.3.4 Deposit funds to the City's depository account within 24 hours of settlement in compliance with ORS Chapter 295.

- 5.2.3.5 Provide a secure, web-based portal which provides real time access to the City's account. The portal must allow viewing and downloading of: merchant statements, individual transactions, and batch settlements by date/merchant ID number/user identification/location/card type.
- 5.2.3.6 Provide daily electronic transmission of remittance files.
- 5.2.3.7 Ability to provide real time payment processing, recurring payments, and customer account management through a web-based portal.
- 5.2.3.8 Agree to not sell or use cardholder information, including name and addresses, for any purpose other than those agreed to by the City in writing.
- 5.2.3.9 Notify the City regarding chargebacks and provide sufficient time for a response prior to debiting the City's account. Notification by e-mail and through the merchant's system is required.
- 5.2.3.10 Ability to assist the City with marketing campaigns to increase the use of online/IVR/mobile device payments.
- 5.2.3.11 Provide customer service and technical support on a basis consistent with business operations.

#### **5.2.4 Title Page/Cover**

The Title Page/Cover shall include the name of the proposing bank, its primary business address from which the relationship will be managed, and the local branch address that can meet the City's daily banking needs, and identify the proposed service(s) (i.e. banking or merchant) for which the bank wishes to be considered.

#### **5.2.5 Table of Contents**

One printed page that identifies the proposal topic and corresponding page number.

#### **5.2.6 Transmittal Letter (maximum of two pages): The letter must:**

- 5.2.6.1 Confirm that the bank meets all of the qualifications identified in "Section 5.2.1 Minimum Qualification for All Services"; and
- 5.2.6.2 Identify which service(s) (banking or merchant) is being proposed and confirms the bank's ability to meet the corresponding service requirements in "Section 5.2.2 and/or Section 5.2.3"; and
- 5.2.6.3 Briefly state the bank's experience in providing the proposed service(s); and
- 5.2.6.4 Commit to providing the services at the quoted rate for the 7-10 year contract term if selected; and
- 5.2.6.5 Be signed by the relationship manager that will be assigned to the City of Coos Bay.

#### **5.2.7 General Banking Services Response: The following must be included:**

- 5.2.7.1 Overview/Experience/Team/Compliance/References
  - a. Overview: Provide a corporate overview of your bank and its present, Community Reinvestment Act programs.
  - b. Experience: Describe the bank's experience in providing general banking services to the public sector.

- c. Relationship Team: Describe the staff team that will be assigned to service the City's banking relationship; including the team's reporting structure. Describe individual roles, their responsibilities, and briefly detail their credentials and related banking experience. Provide contact information for each team member.
- d. References: Provide three public sector references that we may contact. The references must be of comparable size and/or financial activity as the City of Coos Bay. Provide name, position and telephone number of reference contact person.

5.2.7.2 Back-up Facility: The City's Finance Department is seeking a facility that can be used in the event of an emergency. The back-up facility will be used for payment receipting and check distribution in the event of an emergency. Describe the bank's ability to provide temporary work space (e.g. loan desks, conference room, etc) to enable 3-5 Finance staff members to continue financial processing in the event of an emergency.

5.2.7.3 Cost / Pricing (Complete the banking, e-payables, and p-card pricing sheets.)

- a. Provide a complete fee schedule of all services described in your proposal. Pricing should be prepared with the assumption that only one service award, banking or merchant, will be received. Any pricing discount for the award of both services should be identified in response 5.2.7.3.c.
- b. Discuss any one-time set-up charges, research fees, minimum fees, or any other fees that will be charged but were not identified on the bank's pricing sheet.
- c. Identify any incentives, discounts, rebates, or equipment, that will be given to the City based on an awarded contract.
- d. Provide a guarantee of the fees proposed for the entire term of the contract (7-10 years) along with the index that will be used for escalation/de-escalation.
- e. Interest rate for funds on deposit.
- f. Earned credit rate and analysis fee/waivers.

**5.2.8 Merchant Services Response. The following must be included:**

5.2.8.1 Overview/Experience/Team/Compliance/References

- a. Overview: Provide an overview of the bank's merchant services, including associated relationships/contracts with other vendors for processing.
- b. Experience: Describe the bank's experience in providing merchant services to the public sector.
- c. Relationship Team: Describe the staff team that will be assigned to service the City's merchant relationship; including the team's reporting structure. Describe individual roles, responsibilities, and briefly detail their bank related credentials

and experience. Provide contact information for each team member.

- d. Compliance and Exceptions: Include a statement to confirm your bank's compliance to the City's minimum qualifications and list any exceptions to the required services.
- e. References: Provide three public sector references that the City may contact. The references must be existing clients who've used your bank's merchant services for a minimum of two years. Provide name, position and telephone number of reference contact person.

#### 5.2.8.2 Security

- a. Provide a copy of your current PCI compliance certificate, and that of any acquirer, third party provider, or processor that you use.
- b. Describe the bank's ability to collect and store personal payment data, thus mitigating the City's risk of PCI non-compliance.
- c. Describe the bank's protocol/timing for notifying the City of suspected security breaches.
- d. Discuss the bank's commitment to providing updates of industry related rules and regulatory changes.

#### 5.2.8.3 Cost / Pricing (Complete the merchant services price sheet.)

- a. Provide a price schedule for merchant services. Pricing should be prepared with the assumption that only one service award, banking or merchant, will be received. Any pricing discount for the award of both services should be identified in response 5.2.8.3.e.
- b. Describe any one-time set-up charges, research fees, or other fees that may be charged.
- c. Identify any fees that may be charged to the City or the customer (e.g. convenience fees, surcharges, service fees), and state the length of time the fees will be held.
- d. Identify any equipment and software that will be provided by the bank, at no additional charge, as a part of a new contract. Any equipment provided must be EuroPay/ Mastercard/Visa (EMV) compatible.
- e. Identify any incentives, discounts, or rebates that will be given to the City based on an awarded contract.
- f. Provide a guarantee of the fees proposed for the entire term of the contract (7-10 years) along with the index that will be used for escalation/de-escalation.

## SECTION 6: EVALUATION AND SELECTION PROCESS

### 6.1 INITIAL SCREENING

Proposals will be reviewed and evaluated by the Finance Department to ensure they meet the minimum submittal requirements. Proposals that fail to meet all of the minimum submittal requirements will receive no further consideration.

## 6.2 PHASE I - EVALUATION AND RANKING

A Selection Panel will be formed to evaluate, score, and rank the proposals received. Each submission will be scored based on the criteria listed below. NOTE: Each proposed service (e.g. banking or merchant) will be individually scored on a 100 point scale.

<b>Phase I Evaluation Criteria – 1) Banking Services</b>	<b>Maximum Score</b>
Minimum Qualifications for All Services	Pass / Fail
Required Services for General Banking Services	Pass / Fail
Title Page / Cover	Pass / Fail
Table of Contents	Pass / Fail
Transmittal Letter	Pass / Fail
Overview/Experience/Team/Compliance/References	40
Backup Facility	5
Cost / Pricing	55
<b>Total</b>	<b>100</b>

<b>Phase I Evaluation Criteria – 2) Merchant Services</b>	<b>Maximum Score</b>
Minimum Qualifications for All Services	Pass / Fail
Required Services for Merchant Services	Pass / Fail
Title Page / Cover	Pass / Fail
Table of Contents	Pass / Fail
Transmittal Letter	Pass / Fail
Overview/Experience/Team/Compliance/References	35
Security	30
Cost / Pricing	35
<b>Total</b>	<b>100</b>

## 6.3 PHASE II - INVITATION TO INTERVIEW

The top proposers may be invited to Phase II for 1) Banking Services and/or 2) Merchant Services of the selection process.

## 6.4 PHASE II – INTERVIEWS

If selected for an interview, the Proposer will be given the opportunity to summarize the Proposer's qualifications, ability to meet the City's needs, brief overview of the Proposer's software system, and identify key opportunities to improve the City's cash management process.

## 6.5 PHASE II – EVALUATION AND RANKING

The Selection Panel will evaluate, score, and rank the Phase II responses and presentations based on the criteria below. Proposer(s) that best meet the criteria for 1) Banking Services and/or 2) Merchant Services will be recommended for a contract award.

<b>Phase II Evaluation Criteria</b>	<b>Maximum Score</b>
Relationship team	20
Software ease-of-use and internal controls	15
Reporting capabilities	15
Security features and established processes	20
Overall pricing	30
<b>Total</b>	<b>100</b>

## 6.6 NEGOTIATIONS

The scope of services will be refined and responsibilities will be delineated between the Proposer and the City, and specific deliverables and schedules will be identified.

## APPENDIX A: BANKING SERVICES PRICE PROPOSAL

City of Coos Bay - Average Monthly Data				
The City of Coos Bay uses one banking institution for all primary banking services, except for deposits held with the Oregon State Treasury/Local Government Investment Pool.				
<b>Banking activities include:</b>				
- One Primary account used for most deposit transactions, investment and transfer activities.				
- Two zero balance accounts - one for accounts payable vendor disbursements and one for payroll disbursements.				
- Controlled disbursements				
- Online reporting for previous day transactions, balance, stop payments, and positive pay.				
- ACH, EFT, and wire transfers.				
- Coin and currency services - change orders				
- Direct deposit of payroll				
Average ledger balance (July - December 2017)    \$ 1,836,603				
The proposal form below must be completed by the Bank and submitted with the remaining proposal items. The proposal form requests costs for a price per unit fee using a monthly statement period. For the purpose of this cost proposal, refer to the information provided above; provide the costs to be incurred by the City using the volumes listed on the proposal form. Please indicate "N/C" if there is no charge for certain item. Unless there is a specific charge listed in this section of the RFP, the City assumes the service is without cost and will remain so for the term of the contract.				
If applicable, please describe the rate of any earnings credit to be used to offset monthly fees. If the earnings credit is based on specific index, explain what the index is and indicate what the rate would have been for December 31, 2017. Also describe how the earnings credit is applied: for example, if there is a surplus credit after deducting all fees, is the surplus retained by the Bank or credited to the City?				
Price Per Item and Monthly Fee Proposal				
Item Description	Estimated Monthly Volume	Unit Price	Monthly Cost	Explanation
Monthly Account Maintenance	3			
Stop Payment - Online Initiated	1			
Deposit Assessment Fee	1,837			
Deposits Posted	20			
Checks Paid	300			
ACH Credits	57			
ACH Debits	38			
Deposited Items : On Us	71			
Deposited Items: Local Fed	241			
Returned Deposit Item	0			
Store Currency & Coin Deposited	4,185			
Interest Paid	504			
ACH Online Monthly Maintenance	1			
ACH Batches Originated	15			
ACH PPD Credits Originated	170			
ACH CCD Credits Originated	15			
ACH Addendas Originated	15			
ACH Notification of Change	1			
Outgoing Domestic Wire	1			
ACH POS Pay Account Monthly Maintenance	3			
Check POS Pay Account Monthly Maintenance	2			
Check POS Pay Issues	301			
Multi User Business Online Banking	8			
Online Extended History - 12 Mo.	1			
Sweep Monthly Maintenance	1			
ZBA Master Account Monthly Maintenance	1			
ZBA Sub Account Monthly Maintenance	1			

## **APPENDIX B: BANKING SERVICES E-PAYABLES PRICE PROPOSAL**

**and**

## **APPENDIX C: BANKING SERVICES PURCHASING CARD PRICE PROPOSAL**

The City of Coos Bay does not currently utilize E-Payables or Purchasing Card services. If the Proposer is able to offer this service, provide a summary of the fees, training provided, software support, ability to provide customized reports, and any other relative information for the City's consideration.



## APPENDIX D: MERCHANT SERVICES PRICE PROPOSAL

### Price Proposal – Merchant Services

2017 Calendar Year

Total sales volume	\$20,092
Total transaction count	400
Monthly transaction average	33
Average transaction amount	\$50

	Unit	Transactions	Proposer Price
Interchange		33	
Basis Points			
Interchange + bps			
Per item charge		33	
Other Fees	Unit	Transactions	Proposer Price
Equipment - Leased (monthly fee)	Each	2	
Equipment - Purchased	Each	2	
Chargeback fees			
Annual fees			
Set-up/Implementation fees			
Training costs			
Monthly maintenance			
Research fees			
Document retrieval fees			
Archival fees			
Other			
Other			
Other			
<b>Total</b>			

## APPENDIX E: SAMPLE PERSONAL SERVICES AGREEMENT

THIS CONTRACT is between the City of Coos Bay, an Oregon municipal corporation (the City) and \_\_\_\_\_ (the Contractor), for the provision of \_\_\_\_\_ services.

### NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

**Section 1: Effective Date and Duration.** This contract shall become effective on July 1, 2018, and shall continue \_\_\_\_\_, unless sooner terminated as provided herein. This contract may be terminated at any time by either party by giving notice, in writing, to the other party, not less than thirty (30) days prior to the termination date. This agreement may be renewed as stated in the 2018 Request for Proposal for Banking and Merchant Services, at the discretion of the City. Written notice of renewal of the agreement by the City shall be provided to the Contractor not less than 30 days prior to the date the agreement would otherwise terminate.

**Section 2: Statement of Work.** Contractor shall provide the services of \_\_\_\_\_ on behalf of the City as outlined in Exhibit "A", the scope of work included in this agreement and the 2018 Request for Proposal for Banking and Merchant Services.

**Section 3: Compensation.** In exchange for the services as \_\_\_\_\_ to the City by the Contractor, the City agrees to the negotiated terms as a result of the 2018 Request for Proposal for Banking and Merchant Services during the time this agreement remains in force and effect. Monthly reconciliation will be provided through the analysis at the end of each month.

**Section 4: Indemnity.** Contractor shall defend, save, and hold harmless the City, its officers, agents, and employees, from all claims, suits, or actions of whatsoever nature, including intentional acts, resulting from or arising out of the activities of Contractor or its agents or employees under this contract.

**Section 5: Insurance (TBD).** Consultant shall maintain insurance as stated in Appendix F and shall increase coverage to align with the State requirements as necessary.

**Section 6: Employment Status.** Contractor shall perform the work required by this agreement as an independent contractor. Although the City reserves the right to determine and modify the delivery schedule for the work to be performed and evaluate the quality of the completed performance, the City cannot and will not control the means or manner of the Contractor's performance. The Contractor is responsible for determining the appropriate means and manner of performing the work.

Contractor represents and warrants that the Contractor is not an employee of the City of Coos Bay and meets the specific independent contractor standards of ORS 670.600. Contractor is not an officer, employee, or agent of the City as those terms are used in ORS 30.265.

Contractor shall be responsible for any federal or state taxes applicable to any compensation or payments paid to Contractor under this contract and, the City will not withhold from such compensation or payments any amounts to cover Contractor's federal or state tax obligations.

Contractor is not eligible for any Social Security, unemployment insurance, or Workers' Compensation, from compensation paid to Contractor under this contract except as a self-employed individual.

**Section 7: Successors & Assignments.** After the original contract is executed, the Contractor

shall not enter, assign, or transfer any of its interest in this contract, without the prior consent of the City. The provisions of this contract shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and assigns.

**Section 8: Compliance with Applicable Law.** Contractor agrees to comply with all federal, state, and local laws, ordinances, and regulations applicable to this contract. Contractor also agrees to comply with the rules of the Local Contract Review Board, as such rules were enacted by the Local Contract Review Board pursuant to City of Coos Bay Ordinance 365. This contract shall be governed by and construed in accordance with the laws of the State of Oregon.

**Section 9: Severability.** The parties agree that if any term or provision of the contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular term or provision held to be invalid.

**Section 10: Waiver.** A provision of this agreement may be waived only by a written instrument executed by the party waiving compliance. No waiver of any provision of this intergovernmental agreement shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. Failure to enforce any provision of this agreement shall not operate as a waiver of such provision or any other provision.

**Section 11: Term and Termination.** This contract may be terminated by written mutual consent of the parties. In addition, this contract may be terminated at any time for convenience by the City, by providing not less than sixty (60) days' written notice of the intent to terminate this agreement. All notices shall be sent to the parties as follows:

For the City:

City Manager's Office  
500 Central Avenue  
Coos Bay, OR 97420 (541) 269-8912

For the Contractor:

**Section 12: Merger.** This contract constitutes the entire agreement between the parties. The terms of this contract shall not be waived, altered, modified, supplemented or amended, in any manner whatsoever, except by written instrument. Any such waiver, alteration, modification, supplementation or amendment, if made, shall be effective only in the specific instance and for the specific purpose given, and shall be valid and binding only if it is signed by all parties to this contract.

There are no understandings, agreements or representations, oral or written, regarding this contract except as specified or referenced herein. Contractor by his signature below hereby acknowledges that he has read this contract, understands it, and agrees to be bound by its terms and conditions.

**IN WITNESS WHEREOF**, the execution of which having been first duly authorized according to law.

\_\_\_\_\_  
Rodger Craddock, City Manager  
City of Coos Bay

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Banking Representative

\_\_\_\_\_  
Date

## APPENDIX F: INSURANCE

### Specific Directives

1. General Liability shall be a per occurrence form and must cover the time for which the work is being performed.
2. Proof of insurance of not less than the amount required is to be provided. Written notice of cancellation of insurance shall be provided to the City/Agency not less than 30 days prior to the date of cancellation.
3. If the City/Agency is required to use Federal or State insurance policy limits, or is subject to the Federal or State tort claim limits, the limits required through this directive shall be superseded by such limits.
4. If a claim occurs where the amount of the claim exceeds the insurance policy limits required by this directive, the contractor assumes full responsibility for the payment of such claim.
5. Insurance policy limits shall not be less than those listed in this directive without the consensus of the City Manager, City Attorney and the City Risk Manager of Record. Insurance policy limits may be waived at the discretion of the City/Agency. Insurance policy limits may be required to be higher based upon the City Manager's review of the specific application for which the certificate is required.
6. Tail Coverage": If any of the required liability insurance is on a "claims made" basis, recipient shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of the Contract/Agreement, for a minimum of 24 months following the later of:
  - (1) Recipient's completion of all services and the City's/Agency's acceptance of all services required under the Contract/Agreement, or
  - (2) The expiration of all warranty periods provided under the Contract/Agreement. Notwithstanding the foregoing 24-month requirement, if recipient elects to maintain "tail" coverage and the maximum time period "tail" coverage is reasonably available in the marketplace is less than the 24-month period described above, recipient shall maintain "tail" coverage for the maximum time period "tail" coverage is reasonably available in the marketplace for the coverage required.
7. Definitions:

Commercial General Liability: To cover bodily injury, death, and property damage. This insurance shall include contractual liability coverage for the indemnity provided under those listed in the Agreement/Contract, personal and advertising injury liability, products liability and completed operations liability. Coverage may be written in combination with Automobile Liability Insurance (with separate limits).

Professional Liability: To cover error, omission or negligent acts related to the professional services to be provided under the Agreement/Contract.

Automobile Liability: To cover each accident for bodily injury and property damage, including coverage for owned, hired, non-owned, leased, or rented vehicles as applicable. This coverage may be written in combination with the Commercial General Liability Insurance (with separate

limits).

**Umbrella Liability:** To cover excess liability over several of the insured's primary liability policies. An excess liability policy may be what is called a following form policy, which means it is subject to the same terms as the underlying policies; it may be a self-contained policy, which means it is subject to its own terms only; or it may be a combination of these two types of excess policies. Umbrella policies provide three functions:

- (1) To provide additional limits above the each occurrence limit of the insured's primary policies;
- (2) To take the place of primary insurance when primary aggregate limits are reduced or exhausted; and
- (3) To provide broader coverage for some claims that would not be covered by the insured's primary insurance policies, which would be subject to the policy retention.

Most umbrella liability policies contain one comprehensive insuring agreement. The agreement usually states it will pay the ultimate net loss, which is the total amount in excess of the primary limit for which the insured becomes legally obligated to pay for damages of bodily injury, property damage, personal injury, and advertising injury.

**Level 2 Insurance Requirements:** Professional services contracts/agreements \$50,000 and under:

<u>Commercial General Liability</u> Per occurrence	\$1,000,000
<u>Professional Errors and Omissions liability</u>	\$2,000,000
<u>Workers' Compensation</u>	Statutory Limit
Applicable Federal (e.g., Longshoremen's)	Statutory Limit
Employer's Liability	\$ 500,000
<u>Automobile Liability</u> Per occurrence.	\$1,000,000
<u>Umbrella/Excess Insurance</u> Per occurrence	\$1,000,000
<u>Cyber Liability</u>	\$1,000,000
<u>Cyber Crime</u> that includes social engineering and ID fraud expense reimbursement	\$1,000,000

8. Should the Umbrella/Excess Insurance coverage combined with Commercial General Liability coverage not equal or exceed the minimum combined coverage shown, coverage must be increased to equal or exceed the minimum total coverage limits shown. If there is no Umbrella/Excess Insurance coverage, then the Commercial General Liability, Employers Liability, and Automobile Liability limits must be increased to equal or exceed the minimum total coverage limits shown. The Certificate of Insurance(s) and Endorsement(s) will be a part of the Contract and shall be provided to the City/Agency with endorsement(s) indicating that the Commercial General Liability insurance coverage is in effect which shall be primary and non-contributory with any insurance maintained by the City/Agency and include a per project aggregate (form CG 2503 05/09 or equivalent).

Such certificate(s) and endorsement(s) shall name the City/Agency as an additional insured commercial general liability, automobile liability, and umbrella liability policies. Copies of such endorsements or coverage enhancements **shall be attached to the certificate**. A waiver of subrogation under the workers' compensation and commercial general liability policies shall be provided. Thirty (30) days written notice shall be provided to the certificate holder prior to cancellation or significant modification of coverage. The Certificate of Insurance(s) and Endorsement(s) shall be provided to the City/Agency which will become a part of the Contract. Insurance Coverage provided must be underwritten by an insurance company

deemed acceptable by the City/Agency. The City/Agency reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.