



REQUEST FOR PROPOSALS

DEPOSITORY BANK SERVICES

RFP NO: 18-18002

ADDENDUM 1

RFP DUE: February 28, 2018 @ 3:00 PM Central Time

**To report suspected ethics violations impacting the San Antonio Water System,
please call 1-800-687-1918.**

Addendum 1 is issued to:

1. Provide the questions received and the responses to those questions.

The questions received and the responses to the questions are as follows:

1. Does SAWS print their checks in house or use a third party? **Answer:** In house
2. For the one time refunds for water deposits, has SAWS ever considered cards? (one time use) **Answer:** SAWS has not utilized one time cards for customer refunds in the past, but would consider it depending on the pros and cons for SAWS and the customer.
3. Remote Deposit capture – confirm that SAWS is using both an image cash letter service and desktop scanners. **Answer:** SAWS is using both.
4. Consumer bill pay processing – is SAWS still receiving some physical paper checks from bill pay providers that aren't sending these transactions electronically? **Answer:** Yes. If yes, can you provide a monthly average? **Answer:** Approximately 1,000 a month.
5. Armored Car – confirm that Dunbar is the provider and that this contract is currently held directly between SAWS and Dunbar. **Answer:** Correct
6. Schedule I – Currency Deposit Processing Per Bill – confirm that this is not in addition to the “Currency Deposit Processing Per \$1000” but just another way of listing the same volume for those vendors that charge per note or bill. **Answer:** This is Bill Count only.
7. Schedule I – can SAWS provide the definition of “Online Financial EDI items”? **Answer:** Expanded records for CCD Plus and CTX ACH formats in addenda items.
8. I know during the pre-bid meeting, it was mentioned that Frost currently collateralizes SAWS funds with Securities, however SAWS was willing to *consider* Federal Home Loan Bank Letters of Credit. In doing so, will there be a preference placed on bids that are offering Securities over Letters of Credit? **Answer:** SAWS will evaluate all proposals received and will make decision based on most favorable option for SAWS. SAWS will consider both FHLB Letters of Credit or Pledged Securities.
9. We were on the SAWS procurement website, and could not find the results/tabulations from the last depository RFP offering in 2013. Would you be to release those? **Answer:** Because RFP's are evaluated procurement and pricing is not the sole criteria for making an award tabulations are not generated.

10. Will SAWS be keeping any funds in interest bearing accounts (i.e. Money Market Accounts)? **Answer:** SAWS will evaluate all proposals received and will make decision based on most favorable option for SAWS. Future account structure will be evaluated as SAWS needs may change or require. If so, what is the anticipated average monthly balance? **Answer:** N/A
11. Can you please confirm that the volume of Currency Deposited in Vault Services is \$2,014,000? **Answer:** Yes \$2,014,000.
12. Can you please describe what types of ACH make up the volume of 196,028 of ACH Origination Items (i.e. Direct Deposit, Vendor Payments, etc...)? **Answer:** Approximately 80% of the ACH volume are credit transactions from customer payments to SAWS through various payment channels, with the remaining 20% being debit payments from SAWS to employees and vendors.
13. How many ACH files are uploaded to the bank on average per month? **Answer:** Uploaded ACH files average approximately 110 a month.

Please note: SAWS is in the process of developing its Business Continuity Plan. Answers to questions 14-17 are based on preliminary information and is subject to change and negotiation with the provider.

14. Does San Antonio Water System expect: **a.** The provider's staff to process all incoming work during the switch to the backup site? **Answer:** SAWS would prefer provider to process checks with stubs at a minimum. Processing of other check payments would be negotiated with provider. **b.** San Antonio Water District to augment the providers staff with staff of their own during the switch in processing to the backup site? **Answer:** This is an option that could be considered.
15. In the instance where San Antonio Water System realizes the need to move to the backup site, what timing is required for the switch over? **Answer:** 24 hours.
16. What are processing requirements for processing the payments in a backup environment? **Answer:** At a minimum, SAWS would prefer the provider process check with stubs and provide a file for payments to be posted to the customer's account. Processing of other types of payments would be negotiated with provider.
17. As part of San Antonio Water System's Business Continuity Plan, how often is lockbox testing required? i.e. Quarterly, Semi Annually, Annually **Answer:** Once process is established, annually.

18. What type of payments are received and what is the payment mix? **Answer:**
- a. Scannable/Readable Coupon with check? **Answer:** 85%
 - b. Check only? **Answer:** 11%
 - c. Check and Stub? **Answer:** 1%
 - d. Check and Invoice Remittance? **Answer:** 1%
 - e. Check and list? **Answer:** 1%
 - f. Cash? **Answer:** < 1%
19. If SAWS is using a scan able coupon do you collect address changes on the back? **Answer:** Yes.
20. Does SAWS accept credit card through the box? **Answer:** No.
21. Does SAWS require:
- a. Data Transmission of information captured? **Answer:** N/A
 - i. What information is required? **Answer:** N/A
 - b. Image Transmission of all images captured? **Answer:** N/A
22. How many remote deposit scanners are in each office? **Answer:** One
23. Are the scanners single feed or multi feed scanners? **Answer:** Multi Feed Scanners
24. Does SAWS currently own the scanners? **Answer:** No. If so, what type and model number are they? **Answer:** N/A
25. Does SAWS currently accept payments via an online bill payment application? **Answer:** Yes
26. If so, does it accept:
- a. Credit Card (Credit & Debit) **Answer:** No, credit card payments are processed through a third party vendor
 - b. Bank Account (Checking & Savings) **Answer:** Yes
 - c. How is SAWS connected to the online bill pay application? **Answer:** The online bill payment application is managed in-house, with no third party provider.
 - d. What system are you using? **Answer:** Proprietary in-house system.
27. Do you use an IVR to accept payments? **Answer:** Yes.
28. Do Customer Service phone reps accept payments? **Answer:** Yes.
29. RFP, Page 5, item 8 – Post No Checks. Is this a deposit only account or will ACH debits be posting to the account? **Answer:** SAWS is presently not utilizing Post No Checks. The use of and parameters will be considered, pending the future account structure when the new depository banking contract begins.

30. Questions to Schedule I:

- a. Clarify debit posted volume, is this checks paid. **Answer:** Yes
 - b. Clarify the special signature requirement and special signature requirement per item. **Answer:** SAWS requires dual signatures on checks issued over \$100,000.
 - c. How many accounts are utilizing Remote Deposit services? **Answer:** one
 - d. Provide the number of cash vault deposits made monthly. **Answer:** Daily cash deposits.
 - e. Clarify if the currency and coin supplies is per \$100 or per \$1,000. **Answer:** \$100
 - f. Provide the breakdown of bills deposited per nomination (for example dollar amount or number of \$1s, \$5s, \$10s, \$20s, \$50s and \$100s) **Answer:** Not available.
 - g. Under ACH Origination Items, how many items are credits and how many items are debits? **Answer:** Refer to Question #12 Does SAWS transmit same-day ACH items? **Answer:** No If so, what type of items and what is the volume/frequency? **Answer:** N/A
 - h. How many ACH files does SAWS transmitted on a monthly basis? **Answer:** Refer to Question #13.
 - i. Does the Post No Checks account receive any ACH debits? **Answer:** Refer to Question #29.
 - j. Provide the number of Current Day Reporting Detail items? **Answer:** Currently not tracked.
 - k. Clarify Online Financial EDI items. Is this ACH addenda originated or addenda received? **Answer:** Refer to answer to Question #7
31. Would SAWS be able to provide an unprotected PDF of the RFP? **Answer:** No, I would not be able provide an unprotected PDF of the RFP.
32. Will SAWS provide the 'signature sheet' that is required? **Answer:** A Signature is require on pages 25, 28, 35, 36, 45, & 48. Or will the Submittal Response Checklist suffice? **Answer:** the RFP require signatures on additional pages. See response above.