

**ANNOUNCEMENT
-SEPTEMBER 2014-**

**REQUEST FOR PROPOSALS (RFP)
TO REFINANCE A GENERAL OBLIGATION NOTE AND PROVIDE
BANKING SERVICES FOR CONYNGHAM BOROUGH, LUZERNE
COUNTY, PENNSYLVANIA**

The Borough of Conyngham, County of Luzerne, Commonwealth of Pennsylvania (the "Borough"), is seeking Request for Proposals (RFP) to select a financial institution, herein referred to as "Bank", that can refinance the Borough's existing General Obligation Note with Miners Bank and establish a depository relationship with the same Bank in an effort to have a Bank provide the Borough with the highest quality and most flexible services for the lowest cost to its tax payers and the general public. The Borough is requesting that each respondent competitively bid its services. This RFP will define the scope of the work to be performed. The Borough reserves the right to modify and/or cancel this solicitation at any time during the RFP process. Information relating to submitting a proposal can be obtained by contacting Lynn Falatko, Borough Secretary and Assistant Treasurer by Phone: (570)788-4385; Fax: (570)788-0772; or Email: conybor@epix.net.

Sealed proposals must be received by the Borough Secretary at 215 Main Street, P.O. Box 442, Conyngham, PA 18219 no later than Tuesday, October 28, 2014, at 2:00 P.M. and the Proposals will be publicly opened at a Borough Council meeting to be held on the same day at 7:00 P.M. If mailed, the proposal should be addressed to the Borough Secretary and the envelope sealed and clearly marked as "RFP 2014-01 – Certain Banking Services". Any contact for additional information should be made to Lynn Falatko, Borough Secretary. The Borough reserves the right to accept or reject any or all proposals.

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Section 1. Background.

Conyngham Borough is located in southern Luzerne County and is part of the 11th Congressional District, 116th Legislative District, and the 27th Senatorial District. The Borough is a “bedroom” community of slightly more than one square mile with a population of 1914 according to the 2010 census. The mostly residential borough, incorporated in 1901, has a small downtown area with shops and restaurants. The Borough is protected by a dedicated police force and volunteer fire department. The Borough estimates 2014 total of approximately \$748,400.00. The Borough currently operates 4 active accounts and 2 restricted accounts. The General Fund Account handles the majority of all Borough payables processing an average of 1,000 checks annually.

The Borough is initiating the Request for Proposals (RFP) process to result in the selection of a financial institution (“Bank”) that can provide the Borough with the highest quality and most flexible services for the lowest cost to the public.

Section 2. Requirements.

The Borough reserves the right to reject any or all proposals and to select the proposal that it believes is in the best interest of the Borough. A proposal will not be effective until accepted, approved and awarded by Borough Council. All proposals are subject to the deadline requirements of this RFP as previously stated in the Announcement. All proposals shall remain effective subject to Borough review and approval for a period of ninety (90) days from the deadline for submitting proposals. The Borough may initiate negotiations with the proposer submitting the proposal or seek additional proposals on an informal or formal basis during the ninety (90) day period that proposals must remain effective. The proposer is encouraged to add to, modify or clarify any of the scope of work items it deems appropriate to obtain a high quality level of service at the lowest possible cost. All changes should be listed and explained. However, the scope of work proposed, at minimum, must accomplish the goals and work outline in this RFP.

All inquiries, questions or requests for information concerning this RFP should be directed to Lynn Falatko, Borough Secretary and Assistant Treasurer by

Phone: (570)788-4385; Fax: (570)788-0772; or Email: conybor@epix.net. Any changes to the RFP will be in writing, documented and forwarded to all participating proposers of the RFP as soon as possible. Major changes, or an excessive number of changes, may result in cancellation of the existing RFP.

Sealed proposals must be addressed to the Borough Secretary and the envelope sealed and clearly marked as "RFP 2014-01 – Certain Banking Services". Sealed proposals must be received by the Borough Secretary at 215 Main Street, P.O. Box 442, Conyngham, PA 18219 no later than Tuesday, October 28, 2014, at 2:00 P.M. and the Proposals will be publicly opened at a Borough Council meeting to be held on the same day at 7:00 P.M. All material submitted will become the property of the Borough and the only information available at the proposal opening will be the names of firms submitting proposals no facsimile of proposals will be accepted.

The Borough requires that in the RFP process all information as to persons or firms making offers or the contents of any offers is kept confidential. This information can only be given out after an award or decision to award has been made. After an award is made, or the decision to make an award is made, all documents are subject to public inspection under the Pennsylvania Right to Know Law.

Discrepancies, ambiguities, errors or omissions of a proposer should be reported promptly to the Borough for correction or interpretation before the date of the opening of the proposal.

Any service that is not specifically addressed in the RFP, but which is necessary to provide functional capabilities proposed by the proposer, must be included in the proposal.

The acceptance of a proposal may be conditioned under DCED approval and the adoption of an ordinance accepting the proposal as it relates to the refinancing of the loan. Resolutions of Borough Council may also be required for establishing the depository relationship.

Section 3. Scope of Work.

The Borough is initiating the RFP process to result in the selection of a financial institution or bank that can provide the Borough with the highest quality and most flexible services for the lowest cost to the public.

Refinance of Loan

The Borough currently has a loan with Miner Bank of Hazleton, which it desires to refinance. The indebtedness is evidenced by a general obligation Note in the amount of \$375,000.00 bearing interest at the fixed rate of 2.99% per annum based on “bank qualified” tax free status, payable on the unpaid balance for a period of 10 years and 3 months. Interest only was paid for the first 3 months. The Loan began on November 1, 2013.

The purpose of the loan was for refinancing of existing loan obligation and to finance paving of various streets within the Borough. The period of useful life of the improvements is estimated to be in excess of 20 years.

A proposed Loan Commitment to be submitted as part of the RFP in the name of the Borough shall state the following: (1) amount of loan; (2) repayment terms; (3) interest rate; (4) fees and expenses, if any, such as loan origination fee, document preparation, closing costs etc.; and (5) conditions of loan.

Checking and Savings Accounts

As part of the refinancing of the loan, the Borough is willing to establish a depository relationship with the successful proposer for the term of the loan. The Borough currently maintains three (3) accounts through its current Bank.

General Account, Savings Account and Special Account with Miners Bank of Hazleton.

The General Account has an 8 month average account balance of approximately \$122,000.00 and is non-interest bearing.

The Savings Account has an 8 month average account balance of approximately \$57,000.00 and is interest bearing.

The Special Account has an average account balance of approximately \$500 and is interest bearing

The Borough is looking for these accounts to be Federally Insured (FIDC) at no cost to the Borough. Each account must also be interest bearing. Each proposal shall include a current interest rate to be paid on balances for each account; and the

ability of the Borough to maintain a zero balance at all times in any account as needed.

All Work

Each proposal shall also include: (1) a comprehensive schedule of fees; (2) schedule of the availability of funds for investment purposes on checks made payable to the Borough; (3) the unit cost, the daily time deadline for debiting and crediting wire transfers and security procedures; (4) the manner in which bank statements are generated including the time period when issued and the details provided with each statement, including whether cancelled checks are provided; (5) whether electronic access to accounts is available, and if so, what hardware and software is required and indicate the cost of those services, including a description of security controls; (6) whether direct deposit of employee paychecks is an option; (7) whether online banking services are available, and if so, indicate the ability to check account activity daily and issue stop payment requests; and (8) describe the charges to the Borough and process for bad checks.

The cost associated with the preparation of the proposal rests solely with the proposer. The Borough will not incur any costs associated with the proposals.

Section 4. Statement of Qualifications.

In order to provide the Borough with information that will enable it to evaluate qualifications from interested financial institutions, please provide the following items:

A. A Letter of Transmittal. The letter must include a statement of the work to be performed; an affirmation of the qualifications for professionally and expertly conducting the work; and the contact person concerning the proposal, including a telephone number and email address where that person can be reached.

B. Profile of Bank. This should be a brief statement indicating the Bank's experience in conducting work of the nature sought by this RFP. Advertising brochures on the Bank may be submitted in lieu of a profile. However, either the profile or the brochure must identify the location of the Bank's branch office that will provide the proposed services; and the working hours this branch is open to conduct business.

C. References. The Bank shall provide a list of references of local governments for which banking services of this nature have been provided in the last three years.

D. Specialty Services. Identify specialty services or strengths of your organization.

Section 5. Compliance with RFP.

All proposals submitted shall be in strict compliance with the RFP and failure to comply with all provisions in the RFP may result in disqualification or rejection of the proposal. The Borough also reserves the right to accept in part or in whole any or all proposals submitted or to waive any technicality or minor irregularity in a proposal, request modification to proposals from any or all proposers during the review and negotiation. In addition, any proposal that differs from the format described in this RFP may be considered non-responsive and rejected.

Section 6. Evaluation Criteria.

All proposals will be evaluated based in part on the professional expertise and experience of the proposer, the proposed method and the procedures for completion of the work, and the cost of the proposal. The expertise and experience of the proposer will also be evaluated using the following factors: (1) The overall experience of the Bank in conducting work similar to that which is to be provided to the Borough; (2) The expertise and professional level of the individuals proposed to conduct the work for the Borough; (3) The clarity and completeness of the proposal and the apparent general understanding of the work to be performed; (4) References of other business and/or municipal clients; and (5) Location of banking institution's branches in relation to the Borough offices.

The Borough will also look at the costs and fees in evaluating proposals, including the amount of interest to be earned on accounts and the savings to the Borough on refinancing the loan.

Section 7. Acceptance of Proposal.

In compliance with this Request for Proposals and to all the Terms and Conditions imposed herein, the undersigned offers and agrees to furnish the

services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiations.

Name and Address of Financial Institution By: _____

Signature: _____

Title: _____

Phone: _____

Date: _____

Email: _____