



REQUEST FOR PROPOSAL

Safekeeping Services

January 20, 2010

Proposal Due Date: Friday, February 5, 2010
and Time: 3:00 p.m. (eastern time)

RFP Number: 2010-002-320

Mailing Address: P.O. Box 4000
Ashburn, VA 20146

Delivery Address: Administrative Services Facility
44865 Loudoun Water Way
Ashburn, VA 20147

Procurement Contact: Bessie Nelson, Purchasing Supervisor
Phone: 571.291.7700
Fax: 571-223.2513
E-mail: bnelson@loudounwater.org

IF YOU NEED ANY REASONABLE ACCOMMODATION FOR ANY TYPE OF DISABILITY IN ORDER TO PARTICIPATE IN THIS PROCUREMENT, PLEASE CONTACT PURCHASING AS SOON AS POSSIBLE.

TABLE OF CONTENTS

<u>SECTION/TITLE</u>	<u>PAGE</u>
1 PURPOSE.....	1
2 COMPETITION INTENDED.....	1
3 BACKGROUND INFORMATION	1
4 SCOPE OF SERVICES.....	2
5 CONTRACT CONDITIONS.....	3
6 INSTRUCTIONS FOR PREPARING AND SUBMITTING PROPOSALS	6
7 EVALUATIONS OF PROPOSALS	9
8 PRICING FORM.....	10
9 REFERENCE FORM.....	11
10 RFP SUBMISSION FORM.....	12
11 RIDER CLAUSE	13

1. PURPOSE

The purpose of this solicitation is to select a single financial institution to provide safekeeping services to the Loudoun County Sanitation Authority (Loudoun Water).

This RFP, plus the resulting agreement(s), shall be consistent with, and governed by the Virginia Water and Waste Authorities Act, the Virginia Public Procurement Act and Loudoun Water's Purchasing Regulations.

2. COMPETITION INTENDED

It is Loudoun Water's intent that this RFP encourage competition. It shall be the Consultant's responsibility to advise the Purchasing Supervisor in writing if any language, requirement, specification, etc., or any combination thereof, inadvertently restricts or limits the requirements stated in this RFP to a single source. Such notification must be received by the Purchasing Supervisor not later than five (5) days prior to the date set for acceptance of proposals.

3. BACKGROUND INFORMATION

- A. The Loudoun County Sanitation Authority (doing business and hereafter referred to as "**Loudoun Water**") is a public body politic and corporate and an instrumentality of the Commonwealth of Virginia, organized under the Virginia Water and Waste Authorities Act, being Chapter 28, Title 15.1, Code of Virginia of 1950, as amended (the "Act"). Loudoun Water was created by action of the Board of Supervisors of Loudoun County, Virginia and was chartered by the State Corporation Commission on May 27, 1959. As an Authority, Loudoun Water receives revenue from user fees and makes no profit and our operations and finances are independent of the County's tax-supported services.
- B. Loudoun Water serves approximately 58,200 connections translating to nearly 180,000. Its service area is predominantly in eastern Loudoun County, and is composed of more than 1,500 miles of water and wastewater pipelines. Water supply is provided through agreements with the City of Fairfax and Fairfax Water. Water sources include the Potomac River and Goose Creek. Wastewater treatment is currently provided through an agreement with the District of Columbia Water and Sewer Authority supplemented by Loudoun Water's new Broad Run Water Reclamation Facility (BRWRF), which came online in 2008. The BRWRF discharges effluent into Broad Run, which feeds the Potomac River and, ultimately, the Chesapeake Bay. Loudoun Water also operates several small community water and wastewater treatment plants throughout Loudoun County.
- C. Loudoun Water's customer base has been expanding at an average rate of approximately 2,500 customer accounts annually over the last 10 years. Billing for

retail water and sewer service is conducted on a quarterly basis. The average quarterly bill is approximately \$130. In addition, Loudoun Water charges each new connection an availability fee of \$11,170.

- D. Loudoun Water's 2010 Annual Budget projected revenue at \$72.2 million, operation and maintenance expenses (exclusive of depreciation/amortization) at \$39.6 million and annual debt service at approximately \$18.3 million. Capital improvement project costs are estimated at approximately \$55 million and contractual obligations for 2010 total approximately \$36 million.

Investment activity for fiscal year 2009 is as follows:

Average Balance – Treasury & Agency Securities	\$232,000,000
Average Balance – Commercial Paper	0
Average Balance – Money Market/Overnight Repo	23,300,000
Average Balance – Municipal Bonds	<u>10,900,000</u>

Total Average Account Balance	\$266,200,000
Average # of Treasury & Agency Securities Held	29
Average # of Municipal Bonds Held.....	4
Average # of Commercial Paper Securities Held.....	0
Securities Maturing	22
Securities Purchased	23
Coupon Payments Received.....	104
Deposits to Account	12
Disbursement from Account (wire transfers).....	3
Monthly Statements of Activity & Holdings Required.....	12

4. SCOPE OF SERVICES

- A. Provide for the safekeeping of Loudoun Water owned securities and arrange for necessary transfers upon official notification. The basic provisions to be performed by the successful Institution are as follows:
1. Act as custodian for the safekeeping of Loudoun Water owned securities;
 2. Arrange for transfer thereof upon official notification;

3. Provide Loudoun Water with a monthly statement of securities including the market value thereof as of the last day of the month;
4. Confirm purchase and sale transactions in writing to Loudoun Water upon notification thereof; and
5. Provide secure on-line access to account information.

All other services offered must be included in the Agreement and itemized, if applicable, on the cost sheet as specified above.

- B. COST OF SERVICE - It is the intent of Loudoun Water to pay for all services specified on the Bid Form on a per item cost basis or percentage of portfolio basis, whichever is most cost effective for Loudoun Water. Bidders may submit bids under either method or both. Other services and documents not specifically detailed on the Bid Form shall be optional and subject to negotiation. Such services include the availability of institution staff to consult with Loudoun Water staff concerning safekeeping service procedures and performance

5. CONTRACT CONDITIONS

Contract Term

This contract shall be awarded with three (3) base year, with two additional one year options (for a total of five potential years), with option years to be exercised solely at Loudoun Water's discretion. Pricing may be increased at the end of the initial term of this contract, subject to negotiation and subject to changes in the Consumer Price Index published by the U.S. Department of Labor for the metropolitan area of Washington, DC, Virginia and Maryland.

Insurance

The successful Offeror shall provide and maintain the following minimum limits of insurance coverage during the period of performance required under an Agreement resulting from this RFP.

- A. Comprehensive General Liability
 1. \$1,000,000 Bodily Injury and Property Damage per occurrence and aggregate
 2. Comprehensive General Form
 3. Independent Contractors Coverage
 4. Products/Completed Operations (to be provided for minimum of 36 months after completion of work)
 5. Broad Form Contractual Liability
 6. Personal Injury Liability
- B. Comprehensive Automobile Liability
 1. \$1,000,000 Combined Single Limits
 2. Statutory Uninsured Motorist Coverage

3. Hired and Non-Owned Coverage
- C. Worker's Compensation and Employer's Liability
1. Statutory Coverage for Virginia
 2. \$1,000,000 Employer's Liability
 3. Broad Form All States Endorsement
 4. Compliance with all Federal Statutes, including U.S. Longshoreman and Harbor Worker's Act, the Jones Act, and Federal Employees Act
- D. Umbrella Liability
1. Additional \$1,000,000 liability coverage over the primary limits for Comprehensive General Liability, Comprehensive Automobile Liability, and the Employer's Liability

Prior to commencing work under a resultant contract, the successful Offeror shall furnish Loudoun Water with a Certificate of Insurance naming Loudoun Water as an additional insured. A 60 day notice of cancellation, non-renewal, or change in the insurance coverage must be provided.

Rider Clause

The Offeror shall, during the term of the contract, extend to any authority, department, agency or institution of the Commonwealth of Virginia the ability to acquire goods and services, other than professional services, at contract prices in accordance with contract terms.

Hold Harmless Clause

The Offeror shall, during the term of the Agreement including any warranty period, indemnify, defend, and hold harmless Loudoun Water, its officials, employees, agents, and representatives thereof from all suits, actions, or claims of any kind, including attorney's fees, brought on account of any personal injuries, damages, or violations of rights, sustained by any person or property in consequence of any neglect in safeguarding contract work or on account of any act or omission by the Offeror or his employees, or from any claims or amounts arising from violation of any law, bylaw, ordinance, regulation or decree. The Offeror agrees that this clause shall include claims involving infringement of patent or copyright.

Not To Benefit

As a prerequisite for payment pursuant to the terms of this contract, there shall be furnished to Loudoun Water a statement, that no employee of Loudoun Water, or members of his immediate family, including spouse, parents or children has received or has been promised, directly or indirectly, any financial benefit, by way of fee, commission, finder's fee or in any other manner, remuneration arising from or directly or indirectly related to a contract resulting from this RFP.

Employment Discrimination by Offerors Prohibited

Every contract over \$10,000 shall include the following provisions:

- A. During the performance of this contract, the Offeror agrees as follows:
1. The Offeror will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age or disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Offeror. The Offeror agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 2. The Offeror, in all solicitations or advertisements for employees placed by or on behalf of the Offeror, shall state that such Offeror is an equal opportunity employer.
 3. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient to meet this requirement.
- B. The Offeror will include the provisions of the foregoing paragraphs, 1, 2, and 3 in every subcontract or purchase order over \$10,000 so that the provisions will be binding upon each subcontractor or vendor.

Drug-free Workplace

Every contract of over \$10,000 shall include the following provisions:

During the performance of this contract, the Offeror agrees to (i) provide a drug-free workplace for the Offeror's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance including marijuana is prohibited in the Offeror's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Offeror that the Offeror maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order over \$10,000 so that the provisions will be binding upon each subcontractor or Consultant.

For the purpose of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to an Offeror in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance including marijuana during the performance of the contract.

Exemption from Taxes

Loudoun Water is exempt from State and Federal Taxes. Tax Exemption Certificate indicating Loudoun Water's tax exempt status will be furnished by Loudoun Water on request.

Substitutions

No substitutions, including key personnel, or cancellations permitted after award without written approval by the Purchasing Supervisor and Loudoun Water's General Manager.

Assignment of Agreement

This contract may not be assigned in whole or in part without the written consent of Loudoun Water.

Termination

Subject to the provisions below, the contract may be terminated by Loudoun Water upon 60 days advance written notice to the other party; but if any work or service hereunder is in progress, but not completed as of the date of termination, then this contract may be extended upon written approval of Loudoun Water until said work or services are completed and accepted.

Termination for Convenience

In the event that this contract is terminated or canceled upon request and for the convenience of Loudoun Water, without the required 60 days advance written notice, then Loudoun Water shall negotiate reasonable termination costs, if applicable.

Termination for Cause

Termination by Loudoun Water for cause, default or negligence on the part of the Firm shall be excluded from the foregoing provision; termination costs, if any, shall not apply. The 60 days advance notice requirement is waived in the event of Termination for Cause.

6. INSTRUCTIONS FOR PREPARING AND SUBMITTING PROPOSALS**Questions and Inquiries**

Questions about this RFP should be directed to Bessie Nelson, Loudoun Water Purchasing Supervisor, at 571-291-7948 or bnelson@loudounwater.org.

Contents of Proposals

The following information is to be submitted as part of the proposal. No other material may be attached. Tabs shall be used to separate sections of the proposal response. The proposal response is limited to no more than **20 pages**, not including a cover letter, tab separators, or any forms required by Loudoun Water. A cover letter, if included, shall be no more than one page. The proposal is to be organized into the following sections:

- A. Experience of Firm – Based on scope of services, provide a list of the ten most relevant contracts held by the financial institution within the last five years.

Include short descriptions, dates and client references (include client contact person, address and phone number).

- B. Qualifications of Key Individuals – Include full resumes of Officer and Assistant Officer that will be assigned to this account.
- C. Appendices - (not included in the 20-page limit)
 - 1. Pricing Form
 - 2. Reference Form
 - 3. RFP Submission Form
 - 4. Rider Clause

Packaging of Proposals

Proposals are to be returned in a sealed container. Ensure that the proposal container is completely and properly identified. The face of the container shall indicate:

RFP #2010-002-320
3:00 pm, February 5, 2010
Safekeeping Services

Each Offeror shall submit one original and six hard copies, as well as an electronic copy in PDF format on a CD of their proposal to Loudoun Water's Purchasing Division as indicated on the cover sheet of this RFP. The original proposal shall be clearly marked.

Delivery Of Proposals

- A. Proposals may either be mailed to the Administrative Services Facility at P.O. Box 4000, Ashburn, VA 20146 or delivered to 44865 Loudoun Water Way, Ashburn, VA 20147. They may NOT be emailed.
- B. Proposals must be received by Purchasing before the **3:00 p.m. (Eastern Time)** deadline. Requests for extensions of this time and date will not be granted. Consultants mailing their proposals shall allow for normal mail time to ensure receipt of their proposals by purchasing prior to the time and date fixed for acceptance of the proposals. Proposals or unsolicited amendments to proposals received by Loudoun Water after the acceptance date will not be considered. Proposals will be publicly accepted and logged in at the time and date specified above.

Withdrawal of Proposals

Proposals may be withdrawn on written request from the Offeror at the address shown in the solicitation prior to the time of acceptance.

Late Proposals

Late proposals will be returned to the Offeror unopened, if RFP number, acceptance date and Offeror's return address is shown on the container.

Addendum and Supplement to Request

If it becomes necessary to revise any part of this request or if additional information is necessary to enable an exact interpretation of provisions of this request, an addendum will be issued to the same distribution list as the original RFP. It is the responsibility of the Offeror to ensure that he has received all addendums prior to submitting a proposal.

Proprietary Information

It is the responsibility of each Offeror to clearly mark any part of his proposal considered to be of proprietary or confidential nature. Offerors shall not mark sections of their proposal as proprietary or confidential if they are to be part of the award of the contract and are of a "Material" nature.

Authority to Bind Offeror in Contract

Proposals must give full legal name and address of Firm. Failure to manually sign proposal may disqualify it. Person signing the proposal should show title or authority to bind said firm in a contract.

Rights of Loudoun Water

Loudoun Water reserves the right to accept or reject all or any proposals, waive informalities and award the contract to best serve the interest of Loudoun Water.

Miscellaneous Requirements

- A. All proposals submitted shall be valid for a minimum period of 120 calendar days following the date established for acceptance.
- B. Loudoun Water will not be responsible for any expenses incurred by an Offeror in preparing and submitting a proposal. All proposals shall provide a straight-forward, concise delineation of the Offeror's capabilities to satisfy the requirements of this request. Emphasis should be on completeness and clarity of content.
- C. The contents of the proposal submitted by the successful Offeror and this RFP will become part of any contract awarded as a result of the Scope of Services contained herein. The successful Offeror will be expected to execute an Agreement with Loudoun Water.
- D. Loudoun Water reserves the right to reject any and all proposals by reason of this request, or to negotiate separately in any manner necessary to serve the best interests of Loudoun Water. Offerors whose proposals are not accepted will be notified in writing.

Protest

Offerors may refer to Sections 2.2-4357 through 2.2-4364 of the Code of Virginia to determine their remedies concerning this competitive process.

7. EVALUATIONS OF PROPOSALS

Proposals will be evaluated by an Evaluation Committee comprised of Loudoun Water employees, who will independently read, review, and evaluate each proposal. Scoring will be based on the following criteria:

- A. Financial Institution's experience in handling accounts similar to Loudoun Water; (30 points)
- B. Qualifications of Key Individuals; (15 points)
- C. The cost of services as described on the Bid Form; (25 points)
- D. Overall Completeness and Responsiveness to the requirements as set forth in the RFP; (10 points)
- E. Financial Institution's financial condition (10 points)
- F. The Acceptability of the institution's prior work for Loudoun Water or Clarity and Comprehensiveness of transition plan, which ever is applicable. (10 points)

After each member of the Evaluation Committee has completed an evaluation rating form for each proposal solution, composite ratings will be developed which indicate the committee's collective ranking of the highest rated proposal solutions. At this point, the Evaluation Committee may conduct interviews with one or more Offerors. Representatives of the Evaluation Committee will conduct all subsequent negotiations and will make a recommendation for the contract award(s).

8. PRICING FORM

**Request for Proposal – 2010-002-320
Safekeeping Services**

A. Safekeeping Services:

Service	Unit Cost
Account Maintenance Fees (Standard Safekeeping)	_____
Securities Received/Delivered:	
Book-Entry Trades	_____
Outside Money Market and Municipal Trades	_____
Outside Security Trades	_____
Re-registration of Securities	_____
Maturities, Calls and Puts:	
Book-Entry Items	_____
Physical Items	_____
Distribution of Proceeds:	
Credit to In-house Account	_____
Check Issued/Wire Transfer	_____
Par-Based Fees (if applicable)	_____
Monthly Statement of Holdings & Market Value	_____
On-Line Account Access	_____

B. Institution Personnel:

Officer assigned to this account:

Name: _____ Title _____

Telephone No. _____ Email _____

Assistant Officer assigned to this account:

Name: _____ Title _____

Telephone No. _____ Email _____

C. Audited Financial Statements Enclosed? yes no

If no, explain why: _____

Signature _____ Date _____

Name (Printed) _____ Title _____

9. REFERENCE FORM

(Must be completed by Offeror)

1. Firm Name _____

Contact _____

Title _____

Mailing Address _____

Email Address _____

Phone _____

2. Firm Name _____

Contact _____

Title _____

Mailing Address _____

Email Address _____

Phone _____

3. Firm Name _____

Contact _____

Title _____

Contact _____

Title _____

Mailing Address _____

Email Address _____

Phone _____

10. RFP SUBMISSION FORM

**Safekeeping Services
(RFP No. 2010-002-320)**

SECTION I – OFFEROR IDENTIFICATION AND OWNERSHIP DISCLOSURE

Company _____

Address _____

Contact Person _____ Title _____

Telephone No. _____ Fax No. _____ Email _____

Organized under the laws of State of _____

Principal place of business at _____

Following list includes persons having ownership of 3% or more in the company (attach more sheets if necessary):

Name	Address
_____	_____
_____	_____
_____	_____

Loudoun Water requests, as a matter of policy, that any consultant or firm receiving a contract of award resulting from an RFP issued by Loudoun Water shall make certification as specified below. Receipt of such certification, shall be a prerequisite to the award of contract and payment thereof.

SECTION II - EMPLOYEES NOT TO BENEFIT

I (we) hereby certify that if the contract is awarded to our firm, partnership, or corporation, that no employee of Loudoun Water, or members of his/her immediate family, including spouse, parents or children has received or been promised, directly or indirectly, any financial benefit, by way of fee, commission, finder’s fee, political contribution or any similar form of remuneration on account of the act of awarding and/or executing this contract.

SECTION III – CONFLICTS OF INTEREST

This solicitation is subject to the provisions of VA Code Ann. Section 2.1-639.2 et. seq., the State and Local Government Conflict of Interests Act. The Offeror [] is [] is not aware of any information bearing on the existence of any potential organizational conflict of interest.

SECTION IV – COLLUSION

I certify that this offer is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting an offer for the same services, materials, supplies, or equipment and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of the State and Federal law and can result in fines, prison sentences, and civil damage awards.

I hereby certify that the responses to the above representations, certifications, and other statements are accurate and complete. I agree to abide by all conditions of this RFP and certify that I am authorized to sign for my firm.

Signature _____ Date _____

Name (Printed) _____ Title _____

11. RIDER CLAUSE

OFFEROR MUST RETURN THIS FORM WITH PROPOSAL

Use of Contract by Members of the:
Northern Virginia Cooperative Purchasing Council and
Metropolitan Washington Council of Governments

USE OF CONTRACT(S) BY MEMBERS COMPRISING THE METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS PURCHASING OFFICERS' COMMITTEE.

- A. If authorized by the bidder(s), resultant contract(s) will be extended to any or all of the listed members as designated by the bidder to purchase at contract prices in accordance with contract terms.
B. Any member utilizing such contract(s) will place its own order(s) directly with the successful contractor. There shall be no obligation on the part of any participating member to utilize the contract(s).
C. A negative reply will not adversely affect consideration of your bid/proposal.
D. It is the awarded vendor's responsibility to notify the members shown below of the availability of the Contract(s).
E. Each participating jurisdiction has the option of executing a separate contract with the awardee. Contracts entered into with a participating jurisdiction may contain general terms and conditions unique to that jurisdiction including, by way of illustration and not limitation, clauses covering minority participation, non-discrimination, indemnification, naming the jurisdiction as an additional insured under any required Comprehensive General Liability policies, and venue. If, when preparing such a contract, the general terms and conditions of a jurisdiction are unacceptable to the awardee, the awardee may withdraw its extension of the award to that jurisdiction.
F. The issuing jurisdiction shall not be held liable for any costs or damages incurred by another jurisdiction as a result of any award extended to that jurisdiction by the awardee.

BIDDER'S AUTHORIZATION TO EXTEND CONTRACT:

YES NO JURISDICTION

YES NO JURISDICTION

- Alexandria, Virginia
Alexandria Public Schools
Alexandria Sanitation Authority
Arlington County, Virginia
Arlington County Public Schools
Bladensburg, Maryland
Bowie, Maryland
Charles County Public Schools
College Park, Maryland
Culpeper County, Virginia
District of Columbia
District of Columbia Courts
District of Columbia Public Schools
District of Columbia Water & Sewer Auth.
Fairfax, Virginia
Fairfax County, Virginia
Fairfax County Water Authority
Falls Church, Virginia
Fauquier County Schools & Government, Virginia
Frederick, Maryland
Frederick County, Maryland
Gaithersburg, Maryland
Greenbelt, Maryland
Herndon, Virginia
Leesburg, Virginia
Loudoun County, Virginia
Loudoun County Public Schools
Loudoun Water
Manassas, Virginia

- City of Manassas Public Schools
Manassas Park, Virginia
Maryland-National Capital Park & Planning Comm.
Maryland Transit Authority
Metropolitan Washington Airports Authority
Metropolitan Washington Council of Governments
Montgomery College
Montgomery County, Maryland
Montgomery County Public Schools
Northern Virginia Community College
OmniRide
Potomac & Rappahannock Trans. Commission
Prince George's County, Maryland
Prince George's Public Schools
Prince William County, Virginia
Prince William County Public Schools
Prince William County Service Authority
Rockville, Maryland
Spotsylvania County Schools
Stafford County, Virginia
Takoma Park, Maryland
Upper Occoquan Sewage Authority
Vienna, Virginia
Virginia Railway Express
Washington Metropolitan Area Transit Authority
Washington Suburban Sanitary Commission
Winchester, Virginia
Winchester Public Schools

Vendor Name

Date