
June 30, 2021

**NOTICE OF INVITATION FOR QUOTE NO. 21-1002558
CUSTODIAL SERVICES FOR INVESTMENTS**

Dear Interested Firms:

San Bernardino County Transportation Authority (SBCTA) is issuing this Invitation for Quotes (IFQ) from qualified firms to provide custodial services for investments. A contract will be executed with the selected firm.

SCOPE OF SERVICE

The selected firm shall complete the tasks identified in the Scope of Services, attached as Attachment "A".

WRITTEN QUESTIONS/CLARIFICATIONS

All questions related to this IFQ request must be submitted no later than **5:00 PM on Wednesday - July 7, 2021**. All questions must be submitted in writing to: procurement@gosbcta.com, subject line: "IFQ21-1002558 - Questions". Questions received by the deadline will be responded to by e-mail via PlanetBids to all firms.

ADDENDA

Any changes to this IFQ request will be made by written addendum and emailed to the firms via PlanetBids. SBCTA will not be bound to any modifications to or deviations from the requirements set forth in this IFQ request as a result of any oral discussions and/or instructions. Proposers shall acknowledge receipt of any addenda in their response.

PROPOSAL SUBMITTAL

The procurement will be conducted electronically through SBCTA's Vendor Portal PlanetBids. SBCTA will not accept paper copies for any part of this procurement, including the proposal submittal.

Proposals are due at or before **2:00 p.m., on Wednesday - July 21, 2021**. Proposals will be submitted electronically through SBCTA's Vendor Portal PlanetBids. To propose for this project firms must be registered with PlanetBids.

A Firm must accept the Terms and Conditions in order to proceed. Firms will have a series of tabs and may save their proposal at any time as a Draft. Firms may edit the proposal as often as they need to until the IFQ closes.

PROPOSAL CONTENT

Please limit proposals to no more than 15 (8 ½" x 11") in no smaller than 11-point font. Charts and schedules may be included on an 11" x 17" size page that will be counted as one page. Responses shall not include any unnecessarily elaborate or promotional material. Responses that do not contain the required information will be deemed non-responsive and will not be considered. The page limit does not include table of contents, cover letter, and sample contract, outside cover, section dividers, resumes or appendices.

Include a signed statement by an officer of the consultant attesting that all information in the proposal is true and correct.

TECHNICAL CONTENT

Your response should include detailed information regarding your project understanding, approach/work plan, proposed staffing, and cost proposal specific to the attached scope of work.

A. PROJECT UNDERSTANDING, APPROACH AND WORK PLAN

This section of the response shall provide a narrative that addresses your understanding of each segment and demonstrates a clear approach to meeting the project objectives and schedule. Specifically:

- Describe your understanding of the Project.
- Describe your approach and work plan for completing the tasks specified in the Scope of Work. The work plan shall be of such detail to demonstrate the firm's ability to accomplish the Project objectives and schedule.
- Identify methods that will be used to ensure quality control as well as budget and schedule.
- Identify any special issues or problems that are likely to be encountered during each segment and how they will be addressed.

B. PROPOSED STAFFING

This section of the response should identify key personnel and staff assigned to the Project.

Specifically:

- Provide education, experience with state and federal guidelines and professional credentials (licenses, designations, degrees) of all proposed project staff.
- Identify all project staff by name, current office location assignment, proposed position for this Project, current assignments, level of commitment to that assignment, availability for this assignment, years of employment with the firm.

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- Identify “key” persons and their experience with working on similar projects. SBCTA reserves the right to review, approve and/or designate the positions and functions deemed to be “key” to the project and request information concerning key personnel not listed by the proposer.
 - Provide brief, updated, resumes (not more than two [2] pages each) for the all proposed staff.
 - Include a project organization chart that clearly delineates communication and reporting relationships among the project staff, including sub-consultants.
 - Include a statement that key personnel will be available to the extent proposed, or designated by SBCTA, for the duration of the Project, acknowledging that no person designated as "key" to the Project shall be removed or replaced without the prior written concurrence of SBCTA.

C. BID FORM

Please include the Bid Form for the scope of services requested in the response. The final costs for the score of work will be negotiated based on SBCTA’s internal estimates for completion of the work.

D. Sample Contract/Agreement

Please include a sample of the contract/agreement your firm uses for custodial services that SBCTA may review and identify any areas for negotiation.

CONSULTANT SELECTION CRITERIA AND WEIGHTS

The primary objective of SBCTA is to select a qualified firm to perform the services at a fair and reasonable cost. In addition, SBCTA has established the following criteria for the selection process:

- A. The selection process shall be fair, open and competitive.
- B. The selection of consultants will be based on clearly stated objectives, identified in this request.
- C. SBCTA will award the IFQ based on the criteria and weights identified herein:
 - **Project Understanding, Approach and Work Plan - 40 Points:**
Evaluation will be based on the firm’s knowledge of the scope of work, project approach and work plan, and innovative solutions to approach, proposed schedule, and quality assurance process.
 - **Project Staffing - 20 Points:**
Evaluation based on technical expertise and professional competence in areas

directly related to the work identified in the scope of work, level of experience, demonstrated knowledge of state and federal guidelines and requirements, possession of required certifications and licenses, strength of experience and stability of proposed staff, breadth and depth of resources, local presence, availability of proposed staff, and concurrence with restrictions on changes in key personnel.

- **Cost Proposal – 40 Points:**
Evaluation will be based on overall price.

ACCEPTANCE OF PROPOSALS

SBCTA reserves the right to accept or reject any and all response(s), or any item or part thereof, or to waive any informalities or irregularities in a proposal. SBCTA reserves the right to withdraw or cancel this IFQ request at any time without prior notice and SBCTA makes no representation that any contract will be awarded to any firm responding to this IFQ request.

The award of the contract is subject to the availability, appropriation and receipt of federal, State and/or local funds sufficient to carry out the work identified in this IFQ. By submitting a quote, Firm agrees to provide the work described in the Scope of Work Attachment A for the amount(s) listed in Bid Form Attachment B, under the Terms and Conditions set forth in Attachment C.

**ATTACHMENT “A”
“SCOPE OF SERVICES”**

IFQ NO. 21-1002558
ATTACHMENT “A”
“SCOPE OF SERVICES”

Required Services:

Maintain one custody account for the cash and securities owned by San Bernardino County Transportation Authority. SBCTA’s portfolio is approximately \$100 - \$150 million cash and fixed-income domestic securities combined.

- Hold all securities in the name of SBCTA. No cash or securities may be held in the name of the bank.
- SBCTA requires an independent agent to safe keep and clear securities on a delivery versus payment basis and report investments to ensure the protection of its security interest in portfolio investments.
- Segregate all SBCTA cash and securities from bank assets and assists of bank clients.
- SBCTA requires the bank to be thoroughly familiar with the public sector and the investment of public funds.
- The bank shall respond to audit confirmations and other requests for data annually or as needed from SBCTA's internal and external auditors.
- Upon SBCTA’s request, the Bank shall permit the auditors to conduct on-site inspection of transactions or review the Bank's system of internal controls.
- Settle purchases, sales and other transactions upon receipt of instructions from an authorized person. SBCTA traditionally executes two (2) trades in the account per month.
- Collect all coupons and other periodic income on securities held and process per instructions received by authorized persons. Monitor and record the collection of funds in accounts maintained for SBCTA.
- Provide an overnight investment vehicle (sweep) that complies with the California Government Code sections that regulate the investment of public funds. Balances invested in the sweep are minimal, typically less than \$300,000.
- Initiate wire transfers of funds from SBCTA’s account upon receipt of instructions from authorized persons.
- Create, maintain and retain all records relating to securities held in custody in SBCTA’s accounts to meet the requirements and obligations under generally accepted accounting principles.
- Provide online reporting of portfolio activity and holdings on a real-time or next day basis.
- Provide online monthly activity statements and reports including the market value and cost of all portfolio holdings.

- Provide monthly activity statements and reports for all accounts, including market value and cost of all securities. The statement cut-off should be the last day of the month. Statements must be made available online no later than the 2nd business day of the following month.
- The bank will **not** be expected to nor authorized to execute securities transactions on behalf of SBCTA.
- The bank shall provide both proactive and responsive recommendations to SBCTA.
- The bank shall immediately notify SBCTA whenever they are aware of potential problems that may occur to SBCTA's accounts. (For example, SBCTA staff should be informed of any new form of check fraud, which may affect SBCTA immediately after the bank becomes aware of it.
- The bank shall provide SBCTA with information on action the bank is taking to address the issues and provide recommendations on course of action and options to SBCTA that would result in minimal administrative and cost burden to SBCTA.
- The bank shall provide SBCTA with information concerning new and updated technology in the banking industry, which can improve SBCTA's banking or business activities.
- Designated bank shall be available by telephone at all times during the bank's regular business hours to respond promptly to SBCTA questions or requests.

Upon implementation of the contract, the securities already owned by SBCTA will be delivered into safekeeping on a free delivery basis.

Along with Exhibit "B", provide a summary that describes the process for the following items and provide the information requested in the following sections.

- Describe custodial services offered by the bank including confirmation of maturities, expected interest payments, calls and purchases and provide samples of confirmation, expected interest payment and call notices.
- Discuss timelines for receiving month-end reports and confirmation reports.
- Custodial statements must describe assets completely at cost, par and market value as of the end of the month. Provide a sample report.
- The bank will collect and receive interest income and maturity and sales proceeds on behalf of SBCTA and transfer funds on a same day basis. Describe the bank's funds transfer (including wire transfers if applicable) procedures and policies.
- Describe any services or technological enhancements, not previously mentioned, that SBCTA should consider for further improving the effectiveness of its treasury management operations.
- Describe the bank's custodial clients and assets under custodial and how the bank tailors its custodial services to meet the needs of public agency clients.

SBCTA requires a smooth and low-cost transition to a new bank or to enhanced services with its existing bank.

- Describe the bank’s plan to implement the proposed services and to ensure a smooth, error-free conversion.
- Detail all costs and the responsible party (bank or SBCTA) associated with the conversion of all of the new services. What size conversion allowance will the bank provide to SBCTA? Identify those supplies, products or services included.
- Provide the name, email and address of the bank’s personnel with whom SBCTA will work on a day-to-day basis, and information about the representative’s experience providing trust/custody service for public entities.
- Recommend a sweep arrangement Provide name and prospectus of the fund. Indicate the ticker symbol or CUSIP of the proposed sweep arrangement. Provide monthly return history for this investment option for the 12-month period ending December 31, 2021.
 - Are security transactions settled on an actual or contractual basis? How will you compensate SBCTA for fail float?
 - Provide a listing of cut-off times for notification of domestic fixed-income securities transactions for same date settlement.
 - Describe any sub-custodial arrangements that would be used for domestic fixed-income securities belonging to SBCTA. Fully describe the roles and responsibilities of each sub-custodian, if applicable.
 - Provide samples of records and reports that you will provide to SBCTA and address if these will be made available online.
 - How many days after month-end are unaudited monthly statements available? Are audited monthly statements included in your proposed scope of services? If so, when are audited monthly statements available?
 - Can reports be generated based on both trade and settlement dates?
 - Discuss your ability to provide customized Governmental Accounting Standards Board (“GASB”) reporting (i.e. a GASB 72 pricing input levels).
 - Can your firm accommodate receiving trade details via SWIFT?
 - Provide an electronic copy of the firm’s most recently audited financial statement.
 - Please give a detailed listing of charges for each type of transaction identified in Exhibit “B” that could occur in the custody account. Submit information using Excel based on the format table provided in Exhibit “B”. Indicate whether any transactions are free of charge, and/or do not count towards any minimum charges.

- Is the account maintenance fee charged regardless of the number of transactions? Are a certain number of transactions included in the account maintenance fee?

**IFB21-1002558
BID FORM**

Vendor Name: _____

Address: _____

City, State, Zip Code _____

Telephone: _____

Email: _____

Type of Fee	Pricing	Frequency of Assessment (Monthly, Quarterly, Annually, Transactions)
Account Maintenance		
Asset - Based Fee		
Book - Entry security purchase		
Book - Entry security sale		
Book - Entry security maturity		
Book - Entry coupon payment		
Book - Entry free receipt/free delivery		
List all fees involved in the custody of repurchase agreements		
Wire Transfers (incoming, outgoing, outgoing-repetitive)		
Sweep Fees		
Minimum Fees		
Other Custodial Charges (Please Specify)		

Quotes shall be submitted via e-mail to procurement@gosbcta.com by the submission due date specified herein.

I, the undersigned, hereby certify that this bid and the amount offered in this quote are true and accurate to the best of my knowledge in accordance with the requirements of California Business and Professions Code Section 7028.15. The undersigned agrees that the bid amounts offered herein shall remain in effect throughout the full term of the resulting Purchase Order, including any and all extensions or modifications SBCTA chooses to exercise. I also agree that this quote shall remain firm for _____calendar days from the submittal date.

Authorized Signer's Name

Title

Authorized Signer's Signature

Date

**ATTACHMENT "B"
BID FORM**

Firm Name: _____
 Address: _____
 City, State, Zip Code _____
 Telephone: _____
 Email: _____

Type of Fee	Pricing	Frequency of Assessment (Monthly, Quarterly, Annually, Transactions)
Account Maintenance		
Asset - Based Fee		
Book - Entry security purchase		
Book - Entry security sale		
Book - Entry security maturity		
Book - Entry coupon payment		
Book - Entry free receipt/free delivery		
List all fees involved in the custody of repurchase agreements		
Wire Transfers (incoming, outgoing, outgoing-repetitive)		
Sweep Fees		
Minimum Fees		
Other Custodial Charges (Please Specify)		

Quotes shall be submitted via e-mail to procurement@gosbcta.com by the submission due date specified herein.

I, the undersigned, hereby certify that this bid and the amount offered in this quote are true and accurate to the best of my knowledge in accordance with the requirements of California Business and Professions Code Section 7028.15. The undersigned agrees that the bid amounts offered herein shall remain in effect throughout the full term of the resulting Contract, including any and all extensions or modifications SBCTA chooses to exercise. I also agree that this quote shall remain firm for 120 calendar days from the submittal date.

 Authorized Signer's Name Title

 Authorized Signer's Signature Date

ATTACHMENT “C”
SBCTA’S GENERAL TERMS & CONDITIONS
SERVICES

1. **CHANGES** -The work identified in this Invitation for Quote may be subject to change by additions, deletions or revisions made by SBCTA. Firm will be advised of any changes by written notification from SBCTA describing the change. All changes will be done via a written amendment.
2. **NON DISCRIMINATION** - Firm agrees that it will not, on the grounds of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, sexual orientation, age or military or veteran status, discriminate or permit discrimination against any person or group of people in any manner prohibited by federal, state or local laws.
3. **FEDERAL, STATE AND LOCAL LAWS** - Firm agrees that in the performance of this contract, it shall comply with all applicable federal, State and local laws, ordinances, rules and regulations.
4. **QUALIFICATIONS AND STANDARD OF WORK** - Firm warrants that it is fully qualified to perform the work, and holds all applicable licenses, permits, and other necessary qualifications. Firm shall perform and complete in a good and worker-like manner all the work pertaining thereto described in the Scope of Work, to furnish at its cost and expense all tools, equipment, labor and materials necessary therefore, except such materials as are specifically stipulated in the contract to be furnished by SBCTA, and to do everything required by this contract.
5. **CONFLICT OF INTEREST** - In accepting this contract, firm covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of this contract, it will not employ any person having such interest. Firm certifies that no person who has or will have any financial interest under this contract is an officer or an employee of SBCTA.
6. **INSURANCE** – Firm shall comply with the requirements of Exhibit A.
7. **ENTIRE CONTRACT** - This contract, including all attachments and this IFQ, represents the entire agreement between the parties with respect to the services, which may be the subject of this contract. Any variance in the attachments does not affect the validity of the contract and the contract itself controls. All prior contracts, representations, statements, negotiations and undertakings whether oral or written are superseded hereby.

**EXHIBIT “A”
INSURANCE REQUIREMENTS**

Firm Name: _____ **Contract 21-1002558**

Firm shall procure and maintain, for the duration of the Contract, insurance against claims for injuries to persons or damages that may arise from, or in connection with, the services provided under the contract by Firm, its agents, representatives, employees or subcontractors as follows:

Scope of Coverages and Minimum Limits of Insurance: (SBCTA will check all applicable boxes)

Firm shall provide proof of insurance coverage at least as broad as and with limits no less than the following, which insurance coverage shall be maintained for the term of the Contract and any extensions thereto:

- Commercial General Liability Coverage:** Commercial General Liability with limits of not less than of \$1,000,000 per occurrence for bodily injury, personal injury and property damage, with an annual aggregate of not less than \$2,000,000. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the contractor's limit of liability.
- Automobile Liability:** ISO Form number CA 00 01 covering any auto (Code 1), or if Firm has no owned autos, hired (Code 8) and non-owned autos (Code 9), with a limit of not less than \$1,000,000 per accident for bodily injury and property damage.
- Worker’s Compensation insurance** as required by the State of California, with statutory limits, and **Employer’s Liability Insurance** with minimum limits of not less than \$1,000,000 per occurrence for bodily injury and \$1,000,000 per disease, for each employee.
- Excess and/or Umbrella insurance coverage** shall be in excess over the General Liability, and Automobile Liability policies of (level of coverage determined on a case by case basis):
 - \$5,000,000 \$10,000,000
- Professional Liability:** The policies must include the following:
 - \$1,000,000 per claim limits
 - \$2,000,000 in the aggregate for all claims.
 - If Coverage is on a claims made basis:
 - Policy shall contain a retroactive date for coverage of prior acts, which date will be prior to the date the FIRM begins to perform Work under this Contract.
 - The FIRM shall secure and maintain “tail” coverage for a minimum of three (3) years after Contract completion.
- Course of Construction:** Providing coverage for “all risks” of loss in the completed value of

the project.

- Property Insurance on an “all risks” policy to any tenant improvements or betterments with full replacement cost with no coinsurance penalty provision
- Contractors Pollution Liability with coverage for:
- a. bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death;
 - b. property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed;
 - c. defense, including costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages; and
 - d. Losses caused by pollution conditions that arise from the operations of the contractor described under the scope of services of this contract.

\$1,000,000 per occurrence \$2,000,000 annual aggregate

- Railroad Protective Liability Insurance (Necessary for all utility uses and non-utility uses with the potential to affect existing or planned operational railroad right of way):

Coverage: Insurance Services Office Form Railroad Protective Liability, AAR-AASHTO (ISO/RIMA), naming SBCTA as Certificate Holder, with respect to the operations they or any of their subcontractors perform on the Property. Minimum Limits: \$2 million per occurrence combined single limit, for coverage and for losses arising out of injury to or death of all persons and for physical loss or damage to or destruction of Property, including the loss of use thereof. A \$6 million annual aggregate shall apply. If evidencing coverage on the Lloyd’s of London claims-made form, the following provisions shall apply:

- a. The limits of liability shall be not less than \$3 million per occurrence, combined single limit. A \$9 million aggregate may apply.
- b. Declarations item 6, extended claims made date, shall allow an extended claims made period no shorter than the length of the original policy period plus one year.
- c. If “equivalent or better” wording is not contained in the policy form, the following endorsement must be included:

It is agreed that "physical damage to Property" means direct and accidental loss of or damage to rolling stock and their contents, mechanical construction equipment or motive power equipment, railroad tracks, roadbed, catenaries, signals, bridges or buildings.

In cases of low hazard activity and insignificant risk to rail facilities, and if the exposure to the track is physically separated by a building, floor or a continuous fence (no thoroughfares) and Firm’s employees are explicitly notified, trained, and supervised such that they are not permitted to have any contact with the track or its related improvements,

SBCTA's Risk Manager may waive the Railroad Protective Liability Insurance requirement, in SBCTA's sole and absolute discretion, where SBCTA's agreements and obligations with rail operators allow it.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by SBCTA's Risk Manager. At the option of SBCTA, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects SBCTA, its officials, employees, members, contractors, consultants, authorized rail operators' agents, and affiliated entities ("Related Parties"); or the Firm shall procure a bond guaranteeing payment of losses, and related investigations, claim administration and defense expenses.

Waiver of Subrogation

Firm hereby grants to SBCTA a waiver of any right to subrogation which any insurer of said Firm may acquire against SBCTA by virtue of the payment of any loss under such insurance. Firm agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not SBCTA has received a waiver of subrogation endorsement from the insurer.

OTHER INSURANCE PROVISIONS / ENDORSEMENTS

1. The general liability and automobile liability policies are to contain, or be endorsed to include, the following provisions:
 - a. SBCTA and Related Parties are to be covered as insured parties as respects: liability arising out of activities performed by or on behalf of Firm; products and completed operations of Firm; premises owned, occupied or used by Firm; and automobiles owned, leased, hired or borrowed by Firm. The coverage shall contain no special limitations on the scope of protection afforded to SBCTA, or its Related Parties.
 - b. For any claims related to this PO, Firm's insurance coverage shall be primary insurance as respects SBCTA, and its Related Parties. Any insurance or self-insurance maintained by SBCTA, or its Related Parties shall be excess of Firm's insurance and shall not contribute with it.
 - c. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to SBCTA and its Related Parties.
 - d. Firm's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 - e. Each insurance policy required by this Exhibit A shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to SBCTA.
2. All insurance policies, including without limitation, Workers' Compensation and Employer's

Liability policies, shall contain or be endorsed to include a waiver of subrogation in favor of SBCTA and its Related Parties. No insurance coverage provided shall prohibit Firm or Firm's employees or agents from waiving the right of subrogation prior to a loss or claim. Firm hereby waives all rights of subrogation against SBCTA and its Related Parties.

3. Additional Insured: All policies, except for Employer Liability/Worker's Compensation and Professional Liability policies, shall contain endorsements naming SBCTA and its Related Parties (as defined in the Deductibles and Self-Insured Retentions section above) as additional insureds with respect to liabilities arising out the PO. The additional insured endorsements shall not limit the scope of coverage for SBCTA or its Related Parties to vicarious liability but shall allow coverage for SBCTA and its Related Parties to the full extent provided by the policies.
4. Course of Construction and Property policies shall name SBCTA as loss payee.

Acceptability of Insurers

If policies are written by insurer carriers authorized and admitted to do business in the state of California, then the insurer carriers must have a current A.M. Best rating of A-VIII or better. If policies are written by insurance carriers that are non-admitted but authorized to conduct business in the state of California, then they must meet the current A.M. Best rating of A-: X or better, unless otherwise approved in writing by SBCTA's Risk Manager. Verification of Coverage

Firm shall furnish SBCTA with original certificates of insurance with endorsements as verifying coverage required by this Exhibit A. All documents are to be signed by a person authorized by that insurer to bind coverage. All documents are to be received and approved by the SBCTA before performance under the Contract commences. As an alternative, Firm may provide copies of policy declaration pages or complete and certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.

Contractors and Subcontractors

Firm shall include all contractors and subcontractors as insured parties under its policies or require certificates and endorsements for each contractor and subcontractor. All coverages for contractors and subcontractors shall be subject to all of the requirements stated herein. The administration of insurance compliance of contractors and subcontractors shall be subject to audit review by SBCTA.