



PURCHASING DEPARTMENT  
1772 County Services Parkway  
Marietta, Georgia 30008-4012  
(770) 528-8400/FAX (770) 528-1154

Mark Kohntopp  
INTERIM DIRECTOR

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**ADDENDUM No. 2**

**Sealed Bid # 12-5651  
Request for Proposal  
Payment Processing "Lockbox Services"  
Cobb County Water System**

**DATE: APRIL 4, 2012**

Page 1 of 5

The following addendum hereby amends and/or modifies the Proposal Documents and specifications as originally issued for this project. All proposers are subject to the provisions of this Addendum.

**Proposers shall acknowledge receipt of this addendum.**

Include this original form inside your proposal package.

**This Addendum consists of:**

- **Questions submitted in writing**
- **Attachment #1 - Sample of current agreement**

**All bids must be received before 12:00 (noon) by the Bid Opening date. Bids shall be delivered to Cobb County Purchasing Department, 1772 County Services Parkway, Marietta, GA 30008.**

**Electronic / faxed bid response will not be considered.**

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**I acknowledge that I have received Addendum No. 2**

**Sealed Bid # 12-5651  
Request for Proposal  
Payment Processing "Lockbox Services"  
Cobb County Water System**

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date Sent to Purchasing

\_\_\_\_\_  
Please Print Name

Please sign, date, and return this form ONLY to:  
Cobb County Purchasing Department  
Fax #: 770-528-1154  
E-Mail: [purchasing@cobbcounty.org](mailto:purchasing@cobbcounty.org)

**Addendum 2**  
**Sealed Bid #12-5651**  
**Payment Processing “Lockbox” Services**  
**Cobb County Water System Sealed Bid #12-5651**

1. Will a fidelity bond be required?

Not at this time

2. Will Bank documentation be accepted in lieu of CCWS proposed contract? RFP references certain Contract Documents and a “Sample Contract.” These have not been located on the website listed in the RFP document. Please provide for review, or a direct link to documents, if these documents are part of the RFP requirements.

We currently utilize a Treasury Management Agreement initiated by service provider. Before agreement is executed, it would need to be “Approved as to Form” by the County Attorney. (See Attachment #1-sample of current agreement)

3. The use of temporary employees

*Is the Cobb County Water Authority willing to change their opinion of not allowing the use of temporary employees to be involved in the processing of their payments? Any temporary employee utilized in the processing of CCWA payments would have passed a rigorous background check which is the same background check used for all lockbox employees. The background check consists of an FBI Fingerprint check, national criminal check, retail theft & fraud check, multi-state county records check, previous employee and school checks, as well as a credit check.*

Liability would be a concern, particularly if those workers are uninsured. We could agree with the indemnification coverage or, alternatively, retain those folks as independent contractors and require them to present evidence of insurance to us covering the county as an additional insured.

4. Data elements – reference index number and the large amount of data to be included on the back of the check

*Please expand on what a reference index number is, how it is used and where it is located? Would CCWA be willing to access the data to be included on the back of the check via a searchable media such as a web page or CD ROM?*

The reference index number is also referred to as a sequence number, and is the transaction number within a particular batch. This is helpful when researching a particular item within a batch. It is currently located following the transaction amount on the back of the check. The batch number itself is included as part of the image, but not directly on back of the check. We rather stay within the current scope of the RFP.

5. Keying and affixing an amount on the back of an item

*We use a high speed mail extractor and imager which make it impossible to apply the amount of the transaction to the back of a document.*

*In lieu of keying and affixing to the back of an item, would CCWA be willing to access the amount via a searchable media such as a web page or CD ROM?*

We rather stay within the current scope of the RFP.

6. References

15. Provide names and phone numbers of five (5) references, preferably utilities with comparable processing needs and volumes, who are currently using your retail lockbox service requested in this RFP. Select a mix of long-standing and recent customers and indicate how long they have been customers.

7. Describe the conversions of the last three to five customers with processing requirements similar to ours. Provide expected conversion dates versus actual conversion dates for each location, monthly volumes and other relevant data.

*Our lockbox site is a (QLP) Qualified Lockbox Provider for the U S Treasury and has processed predominately for Federal Government agencies since 1983. FMS has historically not been willing to allow the agencies to provide references; therefore we cannot meet these requirements. Would CCWA be willing to relax these requirements?*

No. Need to answer as complete as possible.

7. Who is your current bank?

BB&T is our current lockbox provider.

8. Do you require a local provider, in the State of Georgia? We are a Florida company in Jacksonville, and could courier if necessary.

Not necessary

9. Can you further explain "AR Box", is this online banking consolidated transactions?

AR box transactions are electronic payments consolidated through the lockbox (i.e...Items paid through online banking, etc.)

10. Is your current lockbox provider a Banking Institution?

Yes

11. Same Day Credit - Our normal process would be to process the items, credit a local account that will be owned by CCWS the same day and then transfer the available proceeds by FedWire to you the next business day to your main bank account. Will this process be acceptable in lieu of same day credit?

No, we rather stay within the scope of the RFP.

12. Do you allow bids from non bank providers?

Yes

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## TREASURY MANAGEMENT AGREEMENT

Tax ID: \_\_\_\_\_

THIS AGREEMENT is made 2<sup>nd</sup> day of June, 20 06,  
 by and between Cobb County Water System ("Customer") and

- Branch Banking and Trust Company ("Bank")  
 Branch Banking and Trust Company of South Carolina ("Bank")  
 Branch Banking and Trust Company of Virginia ("Bank")

1. **Services:** Subject to the terms and conditions contained in this Agreement, the Commercial Bank Services Agreement ("CBSA") and any Attachment which describe specific Treasury Management ("Services") (whether attached hereto or relating to any Service requested subsequent to the date of this Agreement), each of which are incorporated herein by reference, Bank will furnish Customer with those Services that it may request. Customer agrees to pay for all said Services in accordance with this Agreement and the Bank's current fee schedule for such Services. Initiation by Customer of any Services constitutes acceptance of the terms and conditions of this Agreement, the CBSA and any applicable Attachment.
2. **Customer's Duties.** Customer shall:
  - a) Perform and observe all conditions, covenants and restrictions as set forth in this Agreement and any Attachments, and if required by a particular Service, maintain, at a minimum, a Deposit Account at Bank subject to the CBSA.
  - b) Pay any bill rendered by Bank within 30 days after the billing date and grant to the Bank a right of set-off in all of Customer's deposit accounts for any bills, costs or expenses owed to Bank under this Agreement or any Attachment.
  - c) Warrant that Customer is fully authorized to effect transaction concerning any account, whether or not in Customer's name, that at Customer's request is the subject of, or is affected by, any Service.
  - d) Carefully examine any statement, notification or confirmation of a transaction and notify the Bank within 30 days of the statement date of any errors, discrepancies or fraudulent transactions. Customer agrees that the Bank will not be liable for any erroneous, unauthorized or fraudulent transaction resulting from the Customer's failure to safeguard any security or access device used in connection with any Services or its failure to reasonably supervise its employees or agents entrusted with the security or access device. Customer agrees to conduct a detailed background check of all employees or agents having authority to implement any cash management transaction and to periodically check such others' work. The Customer further agrees that the Bank will not be liable for any erroneous, fraudulent or unauthorized transaction which was not otherwise caused by the Bank's gross negligence or willful misconduct.
  - e) To the extent allowed by law, indemnify and hold Bank, its affiliates, subsidiaries, officers, directors and employees harmless against any claim, loss, damage, deficiency, penalty, cost or expense resulting from: (a) any breach or default by the Customer in the performance or observance of this or any other Agreement; (b) any negligence or willful misconduct of the Customer; (c) incorrect, incomplete, or inaccurate data or information furnished by Customer to Bank; (d) any action taken by Bank (i) at the direction of Customer or its agent, (ii) at any direction authenticated by any device, symbol, or code assigned to or chosen by Customer in connection with a Service (unless Bank has actual knowledge that such direction is unauthorized), or (iii) in accordance with the procedures set forth in any Attachment.
3. **Bank's Duties.** Bank shall:
  - a) Instruct Customer and its personnel in the proper use and operation of the Service(s) furnished herewith.
  - b) Exercise ordinary care in the performance of Bank's obligations under this Agreement and any Attachment, including the maintenance of the confidentiality of Customer's account and of any identification device, symbol, or code utilized by Customer in obtaining a Service.
  - c) Not be responsible for any liability, loss or damage resulting from any delay in its performance of, or from any failure to perform, its responsibilities under this Agreement or any Attachment, or for any error in transmission which: (i) was not caused by the Bank's gross negligence or willful misconduct; (ii) results from any malfunction, including data related processing, that may occur in Customer's computer software or computer system; or (iii) from an act of God; a natural catastrophe or event, whether or not abetted or aggravated by human or unnatural agencies; the unavailability, interruption, or malfunction of communications facilities or utilities; acts of, delays, or failures to act by other banks or financial institutions, intermediaries or their personnel; and criminal acts by persons other than Bank personnel; or any other circumstances beyond the Bank's control.

- d) Consistent with any security procedures agreed upon between Bank and Customer, confirm the identity of any person executing a transaction pursuant to this Agreement or any Attachment. The Bank, otherwise, may rely upon any written or verbal instruction by any person if the bank reasonably believes such authority is genuine and shall not be liable or responsible for any action taken or not taken in accordance thereof.
- e) Indemnify and hold Customer harmless against any loss, damage, deficiency, penalty, cost or expense claims brought against Customer to the extent that such claims arise out of the Bank's gross negligence or willful misconduct. Any liability of Bank to Customer shall be limited to direct losses suffered by Customer, not to exceed the sum of the fees and charges then imposed for Services purchased by Customer hereunder for a period of one year.

EXCEPT AS PROVIDED IN THIS AGREEMENT, THE BANK MAKES NO REPRESENTATION OR WARRANTY, WHETHER STATUTORY, EXPRESS, OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT AND UNDER ANY CIRCUMSTANCES SHALL BANK BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR INDIRECT DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS, EVEN IF THE BANK HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

4. Term.

- a) This Agreement shall remain in full force and effect on the same terms and conditions as expressed herein, or as may be amended, until such time as it is terminated by either party as provided herein. Subject to section 4(b) and 4(c), either party may terminate this Agreement or any Service by giving thirty (30) days prior written notice to the other party. The liabilities of the parties shall cease on the effective date of termination, except as to events that shall have previously occurred.
- b) All Services are provided subject to applicable laws and rules. In the event Bank reasonably determines it is no longer able to provide a Service due to a change in laws or rules, this Agreement or a specific Service may be terminated immediately upon written notice by Bank to Customer.
- c) In the event of Customer's failure to perform or observe any of the conditions, covenants, and restrictions herein set forth, or if in the good faith opinion of Bank the Customer is involved in illegal or unethical business practices or is financially unstable and/or the prospect of payment or performance has been impaired, then in addition to any other available remedies, Bank may terminate this Agreement or any Service immediately by giving written notice to Customer.

5. Miscellaneous.

Bank may amend this Agreement and any Attachment, including any provision as to fees, by giving Customer prior written notice of the amendment, but this Agreement may not otherwise be amended or assigned except in writing signed by both parties.

- a) Any notice under this Agreement shall be deemed given: (i) to Bank when such notice is received at its Corporate Services Division or at such other location as Bank may hereafter provide to Customer in writing; (ii) to Customer when mailed, postage prepaid, or delivered to Customer's current address, as shown on Bank's records.
- b) All information, whether printed, written or oral, furnished by either party shall be held in confidence and used only for the purpose of furnishing or utilizing Services rendered herewith and in compliance with the CBSA.
- c) This Agreement, together with the CBSA and any applicable Attachments contain the entire understanding of the parties and supersedes any previous discussions, proposals, or agreement, whether oral or written. In the event of any conflict between a provision set forth in this Agreement and a provision contained in an Attachment, the latter provision shall prevail. This Agreement shall not supersede or govern any other banking or lending relationship between the parties.
- d) The invalidity of any provision of this Agreement, either in its entirety or in any particular circumstance, shall not impair the validity of the remaining provisions or the validity of such provision in any other circumstance. This Agreement shall be governed, as to both interpretation and performance by the laws of the State of Georgia.
- e) Any claim, controversy or dispute, related directly or indirectly to this Agreement, shall be resolved by a court of competent jurisdiction located in Cobb County, Georgia. The parties agree in good faith to participate in a mediation process if requested by one party and share equally in the cost of same. The parties shall mutually select a mediator. The mediation process shall be concluded within 90 days of a request to mediate.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and to be effective as of the day and year first above written. Customer hereby acknowledges receipt of copies of this Agreement and any applicable Attachments and consents to the terms and conditions contained therein.