

RESOLUTION NO. 2016-100

AUTHORIZING CONTRACT NO. 2016-079 WITH KEY BANK, N.A., TO PROVIDE BANKING SERVICES AND TO SERVE AS DEPOSITORY FOR THE AUTHORITY'S ACTIVE FUNDS FOR A TERM OF UP TO FIVE YEARS

WHEREAS, the proposal of Key Bank, N.A. located at 127 Public Square, Cleveland, Ohio 44114, was received on August 17, 2016: and

WHEREAS, pursuant to Resolution No. 2016-083, which was adopted on September 27, 2016, Key Bank, N.A. was designated as an eligible depository for the active monies of the Greater Cleveland Regional Transit Authority for the statutory period commencing October 5, 2016; and

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems the offer of Key Bank, N.A., as negotiated, to be the most advantageous to the Authority, cost and other factors considered and recommends acceptance thereof by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the proposal submitted by Key Bank, N.A., as modified by negotiations, to provide banking services, be and is hereby accepted as the most advantageous to the Authority, price and all other factors considered.

Section 2. That the CEO, General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Key Bank, N.A. to provide banking services for a term of up to five (5) years.


Section 3. That active monies of the Authority shall be deposited with Key Bank, N.A.

Section 4. That Key Bank, N.A. shall continue to serve as depository for the Authority's active monies for up to five (5) years, provided the bank remains designated by the Authority as a public depository of active monies.

Section 5. That the Authority's Board of Trustees expects that Key Bank, N.A. will attempt to exceed the 0% DBE goal assigned to this procurement.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: October 18, 2016



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: CONTRACT: BANKING SERVICES FOR A PERIOD OF FIVE YEARS VENDOR: KEY BANK, N.A.	Resolution No.: 2016-100
	Date: October 13, 2016
	Initiator: Cash Management
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

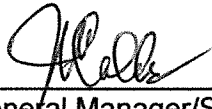
- 1.0 **PURPOSE/SCOPE:** This action will allow the Authority to enter into a depository relationship with Key Bank, N.A. for a period of five (5) years.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority has identified a need to retain the services of a banking institution to conduct its necessary daily services, which include vendor payments, payroll, fund transfers, etc. The selected institution will also keep on deposit all of the Authority's active funds, which is required under the Ohio Revised Code Uniform Depository Act.
- 3.0 **PROCUREMENT BACKGROUND:** Request for Proposals were solicited from the seven banking institutions authorized by the Board of Trustees in Resolution 2016-083 as eligible depositories for the active monies of the GCRTA. Two (2) banks submitted proposals. After evaluation by a panel of Authority employees in accordance with established Procurement Policies and Procedures, and subsequent to negotiations, the proposal of Key Bank, N.A. was recommended as the most advantageous to the Authority, price and all other factors considered. The funds management approach of Key Bank, N.A. maximizes earning allowances on active funds and demonstrates an understanding of the Authority's financial needs, and allows flexibility to adjust to its changing requirements.

A cost analysis was performed and the Procurement Department has determined that the negotiated rates of services are fair, reasonable and advantageous to the Authority.
- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to the lack of certified DBE firms.
- 5.0 **POLICY IMPACT:** Does not apply.
- 6.0 **ECONOMIC IMPACT:** Compensating balances of the banking services may be used to offset bank transaction fees and services charges that would otherwise be charged to the Authority. The Authority's Cash Manager performs a monthly analysis of the need for a compensating balance, or to pay banking fees directly. This decision depends on the current rate structure.
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of this offer would delay selection of a depository for the Authority's funds and risk violation of the statutory requirement that an active depository be maintained.

8.0 RECOMMENDATION: This procurement was discussed by the Finance Committee at the October 4, 2016 meeting. It is recommended that the offer of Key Bank, N.A. be accepted and the resolution passed authorizing the CEO, General Manager/Secretary-Treasurer to enter into a contract.

9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO, General Manager/Secretary-Treasurer