

RESOLUTION NO. 2023-83

AUTHORIZING CONTRACT NO. 2023-101 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 (5) YEARS

WHEREAS, the proposal of Key Bank, N.A., located at 127 Public Square, Cleveland, Ohio 44114, to perform said services was received on August 31, 2023 in a response to a competitive solicitation; and

WHEREAS, pursuant to Resolution No. 2023-070, which was adopted on August 29, 2023, Key Bank, N.A. was designated as an eligible depository for the active monies of the Greater Cleveland Regional Transit Authority for the five-year period commencing January 1, 2024; and

WHEREAS, the General Manager, Chief Executive Officer 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 General Manager, Chief Executive Officer of the Authority be and she 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 Greater Cleveland Regional Transit 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 31, 2023

  
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President

Attest:

  
\_\_\_\_\_  
Secretary-Treasurer



TITLE/DESCRIPTION: <b>CONTRACT: BANKING SERVICES FOR A PERIOD OF FIVE YEARS</b>  VENDOR: KEY BANK, N.A.	Resolution No.: 2023-83
	Date: October 26, 2023
	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 resolution will allow the Greater Cleveland Regional Transit Authority (“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, but is not limited to, vendor payments, payroll, and fund transfers. The selected institution will also keep on deposit all of the Authority’s active funds, as required under the Ohio Revised Code Uniform Depository Act.
- 3.0 **PROCUREMENT BACKGROUND:** Proposals were competitively solicited from the four (4) banking institutions authorized by the Board of Trustees, in Resolution 2023-070, as eligible depositories. 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 for banking 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 Board of Trustees at the October 17, 2023 Organizational, Services & Performance Monitoring Committee meeting. It is recommended that the offer of Key Bank, N.A. be accepted and the resolution passed authorizing the General Manager, Chief Executive Officer 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.



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General Manager, Chief Executive Officer