

Special Meeting  
 Contracts and Purchasing Board  
 County Administration Building, 4<sup>th</sup> Floor  
 November 23, 2011 11:00 AM

- I. Call to Order
- II. Review and Approve Minutes
- III. Public Comment
- IV. Contracts and Awards
  - A. Tabled Items
  - B. Scheduled Items

B. Scheduled Items and Exemptions:

Item	Requestor	Description	Board Action
CPB2011-278	Fiscal Office	1) County Treasurer, submitting an exemption request under Section 4.4(d) of the Contracting and Purchasing Procedures Ordinance from RFP requirements to enter into an agreement with KeyBank, N.A. for lockbox services for the period 12/15/2011 – 6/14/2012.  2) Submitting an agreement with KeyBank, N.A. in the amount not-to-exceed \$80,000.00 for lockbox services for the period 12/15/2011 – 6/14/2012.  Funding Source: 100% General Fund, which will be offset by the earned credit on the County’s bank balance.	<input type="checkbox"/> Approve <input type="checkbox"/> Disapprove <input type="checkbox"/> Hold

**CPB2011-278**

Title: Fiscal Office - Treasurer 2011 Key Bank, N.A. Exemption request and submission of a new agreement with KeyBank, N.A. for lockbox services.

A. Scope of Work Summary

1. The Treasurers Office requesting approval of an exemption request under Section 4.4(d) of the Contracting and Purchasing Procedures Ordinance from RFP requirements to enter into an agreement with KeyBank, N.A. for the anticipated cost not-to-exceed of \$80,000.00 for lockbox services for the period 12/15/2011 – 6/14/2012. The cost will be offset by the “earned credit” on the County bank balance.
2. The County’s project 6-months savings from this contract are approximately \$86,000.
3. The primary goals of the project is to save the County money by having Key Bank

process our Real Property payments and other checks paid into the County on a daily basis. The Lockbox Service will provide a more timely deposit of monies received each day.

#### B. Procurement

1. KeyBank, N.A. is currently the County's main depository, which handles all of the County's day-to-day financial/banking transactions. It was the only option evaluated at this point. The County will perform an RFP for the lockbox services in 2012. In light of a projected 6-month savings of \$86,500.00, KeyBank, N.A. is the natural choice to initiate the service.

#### C. Contractor and Project Information

1. The address is:  
Key Bank, NA  
127 Public Square  
Cleveland Ohio 44114

#### D. Project Status and Planning

1. The project is new to the County. The use of lockbox services is a common practice in government and in the private sector. The County's Transition Plan recommended the County use lockbox services due to the projected cost savings.
2. The project is on a critical action path because of the decision being made to go live in December 2011.
3. The agreement needs a signature in ink by 12/1/11.

#### E. Funding

1. The project is funded 100% by the General Fund. The total value of the agreement is \$80,000.00, which will be taken from the general fund (TR161059); this cost will be offset by the "earned credit" on the County bank balance.
2. The schedule of payments is by invoice and account (banking) credit.

**Check the appropriate box:**

**Governmental Purchases**

**State Contract Purchases/Ord. #O2011-0046 Section 4.4(d) Exemption**

**Lower than State Contract Purchases** *(Department signs below to authorize purchase(s) deemed to be upon equivalent terms, conditions, and specifications but at a lower price than state contract)*

OPD Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Posting dates: \_\_\_\_\_ Quotes (Y/N): \_\_\_\_\_

Dept. Director Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Government Cooperative Purchasing:**

Federal Contracts

Joint Purchasing Programs

**Contract Amendments (Contract# \_\_\_\_\_ Req# \_\_\_\_\_)**

**RFP Exemptions**

**Community Rehabilitation Programs (CRP)**

**Ohio Industries for the Handicapped (OIH) (Per ORC 4115)**

**Public Utility (911 System)**

**Legal Notice (if required Sheriff sales, Treasurer delinquent taxes,...)**

**County Procurement (County policy only).** If required, the user department will provide written justification to OPD and allow sufficient time for evaluation and determination of a course of action that may include proceeding with a competitive process.

County print shop (typically no justification required)

ISC media services (typically no justification required)

Other internal services (i.e., computer training, safety training) (typically no justification required)

Sole source items that appear on an official administrative list developed by the Office of Procurement & Diversity and approved by the Contracts and Purchasing Board

**Exemption from Aggregation of Contracts (Ord#O2011-0044 Section 3.5(b))**

**Exemption from Aggregation of Contracts (Ord#O2011-0044 Section 3.5(b))/Federal, State, or Other Grant Application Program (Ord#O2011-0044 Section 4.4(b) (17))**

**OPERATING DEPARTMENT & ACTIVITY:**

The Fiscal Officer (Treasurer's Office) plans to contract by means of other than full and open competition under RQ\_\_\_\_\_ with Key Bank, NA . This document sets forth the justification and approval for use of one of the exceptions to full and open competition allowed under the County Policy and Ordinance.

**1. Description of Supplies or Services (If contract amendment, please identify contract term and/or scope change)**

Financial/Banking Services: Lockbox services for December 15, 2011 to June 14, 2012.

**2. Estimated Dollar Value and Funding Source(s) including percentage breakdown**

\$80,000 from the General Fund (TR161059); this cost will be offset by the "earned credit" on the County bank balance.

**3. Rationale Supporting the Use of the Selected Procurement Method**

KeyBank is the County's main depository, which handles all of the County's day-to-day banking transaction.

In light of projected 6-month savings of \$86,500, Key Bank is the natural choice to initiate the service.

The County will perform an RFP for the lockbox services in 2012.

**4. What other available options and/or vendors were evaluated? If none, include the reasons why.**

Key Bank is currently the County's main depository, which handles all the County's day-to-day financial/banking transactions. It was the only option evaluated at this point since the County will perform an RFP in 2012.

**5. What ultimately led you to this product or service? Why was the recommended vendor selected?**

The use of lockbox services is a common practice in government and in the private sector. The County's Transition Plan recommended that the County use lockbox services due to projected cost savings.

**6. Provide an explanation of unacceptable delays in fulfilling the County's need that would be incurred if award was made through a competitive bid.**

In light of the fact that this is a new service that the County will launch, it made best sense for the County to initiate this service with the County's main depository financial institution whose lockbox is located in Cuyahoga County.

Initiating this service with the County's existing main depository will provide the County with the ability to develop a more comprehensive and thorough RFP in 2012.

**7. Describe what future plans, if any, the County can take to permit competition before any subsequent purchases of the required supplies or services.**

The County will perform an RFP in 2012 for the lockbox services.

**CERTIFICATION REQUIREMENTS**

I certify that the information contained in this Justification of Other Than Full and Open Competition is accurate and complete to support the recommendation.

I further certify that the attached narrative justification verifies Cuyahoga County's minimum need or schedule requirements and any rationale used to justify other than full and open competition procedures.

Acquisition Initiator (Name and Title): RICH SENSENBRENNER, COUNTY TREASURER

Department: FISCAL OFFICE / TREASURER'S OFFICE

Signature: 

Date: NOV. 21, 2011

**Department Director's Approval**

Signature: Wade Steen / WWS

Date: NOV. 21, 2011

**OPD Director's Approval**

Requisition#/Title: \_\_\_\_\_

- Approval to forward to Board of Control/Contracts and Purchasing Board/County Council
- Approval to continue processing in accordance with county ordinances, policies, and procedures

Signature: \_\_\_\_\_

Date: \_\_\_\_\_