

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 2/22/2023

Staff Report No. 23-143

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager/Chief Executive Officer
SUBJECT: Solicitation for District Banking Services

ACTION ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider authorizing the release of Request For Proposals (RFP) for a five-year contract for banking services.

Staff Contact:
Chris Andrichak, Chief Financial Officer

STRATEGIC IMPORTANCE:

Goal - Financial Stability and Resiliency
Initiative - Financial Efficiency and Revenue Maximization

Having a banking services contractor that can efficiently handle the District's deposit levels and needs is critical to the District's day-to-day financial functioning.

BUDGETARY/FISCAL IMPACT:

For the foreseeable future, staff is anticipating net \$0 bank fees as earnings credits will be more than enough to cover all fees associated with banking services. Once earnings credits are applied to offset the fees, the fiscal impact would be zero.

BACKGROUND/RATIONALE:

Banking services are fundamental to the District's daily financial operations. The banking services contractor should provide a full range of services including deposit, disbursements, direct deposits, and account maintenance and analysis. The contractor should also be able to integrate with the District's financial software for efficient processing of transactions.

Although a formal RFP process is not required for contracts with less than \$100,000 annual cost per Board Policy 465, an RFP solicitation has been determined as most appropriate for the banking services contract. The RFP process will allow the District to fully analyze bank capabilities and services and provide the opportunity to obtain the best overall value to the District.

ADVANTAGES/DISADVANTAGES:

Advantages include an opportunity to obtain the best overall value to the District with regards to banking services, and to keep the board apprised of the process. There are no notable disadvantages.

ALTERNATIVES ANALYSIS:

There are no practical alternatives to the course of action recommended in this report.

PRIOR RELEVANT BOARD ACTION/POLICIES:

SR 20-182a Exercise Banking Services Contract Option
Board Policy 465, Procurement Policy

ATTACHMENTS:

None

Prepared by:

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Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer

Jill A. Sprague, General Counsel/Chief Legal Officer