

RESOLUTION 19-17 – AUTHORIZES AN AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND PNC BANK TO PROVIDE TRUSTEE AND CUSTODY SERVICES FOR PENSION AND OTHER POST-EMPLOYMENT BENEFIT ASSETS

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority of the State of Delaware and the State of New Jersey, created by Compact, that operates and maintains the Delaware Memorial Bridge, Cape May-Lewes Ferry, Forts Ferry Crossing and five regional airports; and

WHEREAS, the Authority seeks to engage a qualified banking firm to serve as trustee and custodian of the Authority’s Pension and Other Post-Employee Benefit (“OPEB”) Assets in accordance with the Delaware River and Bay Authority Employee’s Retirement Plan and the Delaware River and Bay Authority Retiree Health Benefits Plan (hereinafter, the “Services”); and

WHEREAS, the Authority wishes to enter into a Services Agreement (“Agreement”) with the selected banking firm; and

WHEREAS, the Agreement to serve as trustee and custodian of the Authority’s Pension and OPEB Assets shall have a base term of five (5) consecutive years with the Authority granted the option to extend the Agreement for no more than two additional periods of two (2) years each after the expiration of the base term, either such two-year “Option Term” to be authorized by the originating committee with the consent of the Chairperson and Vice Chairperson of the Board of Commissioners; and

WHEREAS, the Authority publicly advertised a Request for Proposals (“RFP”) for the required Services in compliance with Resolution 98-31, as amended, which governs the procedure for the procurement of professional services; and

WHEREAS, the Authority received and evaluated three proposals pursuant to the aforementioned public advertisement; and

WHEREAS, the Authority short-listed two proposals and conducted oral interviews with each of the respective firms; and

WHEREAS, PNC Bank (“PNC”) was designated as the highest-ranking firm following final evaluation; and

WHEREAS, the Authority conducted an analysis of the scope, complexity and cost of the services proposed by PNC and negotiated with PNC to provide such services at compensation determined to be fair and reasonable; and

WHEREAS, the Budget and Finance Committee has reviewed this recommendation and concurs; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreement with PNC to provide the Services

to the Authority and to have such Agreement, with the advice and consent of Counsel, executed by the Chairperson, Vice-Chairperson and Executive Director.

Resolution 19-17 Executive Summary Sheet

Resolution: Authorizes an agreement between the Authority and PNC Bank (“PNC”) to provide trustee and custody services for pension and other post-employment benefit assets.

Committee: Budget and Finance

**Committee/
Board Date:** May 21, 2019

Purpose of Resolution:

To authorize an agreement with PNC to serve as trustee and custodian of the Authority’s Pension and Other Post-Employee Benefit (“OPEB”) Assets in accordance with the Delaware River and Bay Authority Employee’s Retirement Plan and the Delaware River and Bay Authority Retiree Health Benefits Plan.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 98-31, as amended, which governs the procedure for the procurement of professional services.

The Authority received and evaluated proposals submitted by the following three (3) firms, and short-listed* two (2) of those firms:

PNC Bank*
U.S. Bank
Wilmington Trust*

After an initial review and evaluation of all proposals, the Authority conducted oral interviews with the short-listed firms and utilized the final evaluation criteria to establish a final ranked list, with PNC Bank being identified as the top-ranked firm following the short-list interviews. The Authority conducted an analysis of the proposed costs for the services and negotiated for the services to be provided at rates determined to be fair and reasonable.