



CITY OF ATLANTA

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Mayor

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DEPARTMENT OF PROCUREMENT
Adam L. Smith, Esq., CPPO, CPPB, CPPM, CPP
CIPC, CISCC, CIGPM
Chief Procurement Officer
asmith@atlantaga.gov

September 23, 2015

Dear Potential Proponents:

Re: FC-8076, Arbitrage Rebate Calculation Services

Attached is one (1) copy of **Addendum Number 2**, which is hereby made a part of the above-referenced project.

For additional information, please contact Krista A. Morrison, Esq., at (404) 865-8709 or by email at kamorrison@atlantaga.gov.

Sincerely,

Adam L. Smith

ALS/kam



ADDENDUM NO. 2

This Addendum No. 2 forms a part of the Request for Proposals and modifies the original solicitation package and any prior Addenda as noted below and is issued to incorporate the following:

- **A total of 28 Questions and Answers** (see pages 4-7).

The Proposal due date has not been modified and Proposals are due on Wednesday, October 7, 2015 and should be time stamped in no later than 2:00 P.M. EST and delivered to the address listed below:

Adam L. Smith, Esq., CPPO, CPPB, CPPM,
CPP, CIPC, CISCC, CIGPM
Chief Procurement Officer
Department of Procurement
55 Trinity Avenue, S. W.
City Hall South, Suite 1900
Atlanta, Georgia 30303

****All other pertinent information is to remain unchanged****

Acknowledgment of Addendum No. 2

Proponents must sign below and return this form with Proposal response to the Department of Procurement.

Proponents must sign below and return this form with Proposal to the Department of Procurement, 55 Trinity Avenue, City Hall South, Suite 1900, Atlanta, Georgia 30303 as acknowledgment of receipt of this Addendum.

This is to acknowledge receipt of **FC-8076, Arbitrage Rebate Calculation Services, Addendum No. 2** on this the _____ day of _____, 20__.

Legal Company Name of Proponent

Signature of Authorized Representative

Printed Name

Title

Date

Questions and Answers

- 1) What are the start and termination dates of the contract anticipated from this RFP?

Answer: The effective date shall be determined and outlined in a future legislative request to Atlanta City Council.

- 2) Please specify the expected duration of the contract.

Answer: The Draft Professional Services Agreement in the solicitation document lists the anticipated term of the contract as three (3) years from the effective date. The City of Atlanta has the option to renew the contract for two (2) additional years at the City's sole discretion.

- 3) Which firm(s) currently provide(s) Arbitrage Rebate Services for the City of Atlanta?

Answer: The current arbitrage rebate services provider is First Southwest.

- 4) Please indicate the fee per calculation as well as the total amount paid to the current rebate consultant to provide these services for the most recent fiscal year.

Answer: The current consultant charged a computational fee of \$1,200 for each transaction; for fiscal year 2015 the City paid a total of \$40,000.

- 5) What is the annual fee under the current contract?

Answer: Please see Answer #4 provided for this Addendum.

- 6) What is the source of the information you provide to your rebate consultant (e.g., an internal financial management/accounting system or investment account statements)?

Answer: The City will provide the winning proponent with a copy of the official statement and bank statements associated with the respective bonds to assist with completing the calculation.

- 7) In what format do you transmit data to the rebate consultant (e.g., internal records, excel spreadsheets, trustee statements, provide online access to trust accounts)? If this differs depending on the type of rebate/credit, can you please provide a response broken down by type?

Answer: All data is provided by email and/or via CD which is then mailed to the firm providing the services.

- 8) Would the financial information needed to complete the rebate calculations come from a trustee or the city?

Answer: The City will provide the necessary financial information to the winning firm.

- 9) If retained, would we be provided with a complete transcript (legal documents) of each bond?

Answer: The winning proponent will be provided with a copy of the official statements and bank statements associated with the respective bonds to assist with completing the calculation.

- 10) Of the 72 bond issues shown on Exhibit A, page 2, please indicate how many are variable yield bonds.

Answer: Of the 72 bond issues, 10 are variable rate bonds.

- 11) Of the 72 bond issues shown on Exhibit A, are all rebate calculations current (or will be) through 6/30/2015?

Answer: The rebate calculations are current through 6/30/2015.

- 12) Of the 72 bond issues shown on Exhibit A, how many have a current rebate liability?

Answer: Of the 72 bond issuances 21 bonds have upcoming rebate liability dates.

- 13) Are there any commingled funds? If so, please describe.

Answer: No, there are not any commingled funds.

- 14) What are the start dates of the analysis periods for each issue? Are they to be reviewed starting from the respective delivery date per issue, or are calculations current through June 30, 2015, and analysis will begin on that date with an assumption that computations through 6/30/15 are correct?

Answer: The calculations are current through June 30, 2015, and analysis will begin on that date with an assumption that computations through 6/30/15 are correct.

- 15) Which issues have bond proceeds remaining as of June 30, 2015?

Answer: Please see the outstanding bond issuances listed in Exhibit A: Scope of Services of the solicitation document.

- 16) Does the City require annual calculations for each issue or calculations only as of fifth year and final computation dates? If annual, does the City request that all calculations be prepared as of a common date or as of each issue's anniversary date?

Answer: The City requires annual rebate calculations for year-end financial reporting as well as the bonds' fifth year calculation.

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- 17) Please provide a list of each issue included within the RFP as well as the date of each issue's last rebate computation. Are there issues included on the list that do not require future computations?

Answer: Please see the outstanding bond issuances listed in Exhibit A: Scope of Services of the solicitation document. The winning firm will receive a list of all individual outstanding bonds issuance.

- 18) Please designate if any of the issues included as part of the RFP contain unspent construction proceeds, reserve fund proceeds, or non "bona fide" debt service funds. Are the debt service funds considered "bona fide"?

Answer: All of the issues listed in the RFP contain portions of unspent construction proceeds, reserve fund proceeds and bona fide (sinking fund) debt service funds.

- 19) For an issue with all project funds expended and no funded reserve fund, do you still have rebate computations done to evaluate the debt service fund as "bona fide"?

Answer: No.

- 20) Does the City maintain a "reserve portion" of its debt service funds?

Answer: Yes. Only the portion of the debt service reserve established with bond proceeds from a bond transaction.

- 21) If debt service reserve funds are established, how are the reserve funds and debt service funds structured (e.g., one debt service fund covers multiple issues or separate funds are maintained for each issue)?

Answer: Each debt service reserve fund is maintained in a separate account and is associated with a corresponding bond issue.

- 22) If applicable, can you indicate which issues included within the RFP participate in a commingled reserve fund as well as which issues participate in a commingled debt service fund?

Answer: There are not any commingled funds.

- 23) Are the proceeds for any of the issues included within the RFP being held in individual issue segregated bank accounts?

Answer: Yes. All of the proceeds from bond issues are separately held in individual accounts.

- 24) Does the security for any issue include a state guarantee fund? If so, which issues on the listing are so enhanced?

Answer: No.

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25) In Exhibit A, Scope of Services, Letter I, "Legally opining, either in house or through a subcontractor, as to the liability due to the U.S. Treasury under the arbitrage regulations. The opinion must include a statement that the calculation methodology used is consistent with current tax laws and regulations and may be relied upon by the City in determining its liability payments to the U.S. Treasury." Will the City accept the opinion of a Certified Public Accountant that the calculation methodology used is consistent with current tax laws and regulations and may be relied upon by the City in determining its liability payments to the U.S. Treasury?

Answer: An attorney or a qualified CPA may provide an opinion that the arbitrage rebate calculation methodology used is consistent with current tax laws and regulations and may be relied upon by the City in determining its liability payments to the U.S. Treasury.

26) If our firm does not have the exact insurance coverage as required under RFP FC-8076, Appendix B – Insurance and Bonding Requirements, will our firm be deemed non-responsive?

Answer: Insurance certificates are not required at the time proposals are due, but will be required from the winning proponent. However, each proponent must submit a completed Form 4.1: Certification of Insurance Ability with their proposal.

27) If our firm supplies vendor references instead of financials as addressed under RFP FC-8076, Form 3; Company Financial Statements, will our firm be deemed non-responsive?

Answer: Yes. Each proponent must submit a completed Form 3: Proponent Financial Disclosure and attach accompanying financial statements for the most recent 3 years in order to be deemed responsive.

28) If our firm meets the criteria of each proponent team member (Service Provider Key Personnel) having a minimum of five years' experience within the last ten years in arbitrage rebate calculation, and our firm does not supply financials as addressed under RFP FC-8076, Form 3; Company Financial Statements, will our firm be deemed non-responsive.

Answer: Yes. Each proponent must submit a completed Form 3: Proponent Financial Disclosure and attach accompanying financial statements for the most recent 3 years in order to be deemed responsive.