ROUND ROCK TEXAS
PURCHASING DIVISION

CITY OF ROUND ROCK, TEXAS

REQUEST FOR PROPOSAL
INVESTMENT ADVISORY SERVICES

RFP #: 15-020 **Addendum No. 1** **Date: June 25, 2015**

Please note the answers to questions, clarifications, revisions or additions to the solicitation referenced above.

1. **Question:** I would like to be on the approved broker/dealer list to buy/sell agency paper and municipals. Who should I talk to about this?

Answer: Contact Patterson and Associates, Phone # 800-817-2442.

2. **Question:** The RFP states on page 8 that the table of contents should include page numbers for each section. Do items required for submittal (financial statements, ADV) submitted as an Appendix fall into this requirement?

Answer: Yes. Proposal information should be submitted in the order that is specified under Part III, Section 4.2 Content.

3. **Question:** Item 5.2: Is the City currently utilizing any discretionary investment management services? If so, can you provide additional information as to what sort of discretion the manager is allowed to take?

Answer: The City currently only utilized non-discretionary management services. The City will be open to discussing this option with the successful Respondent. No defined criteria has been set.

4. **Question:** Item 5.4: As an investment management firm, soliciting bids for depository services is not our area of expertise. Will the City of Round Rock consider responses for discretionary management services only?

Answer: No, evaluation of solicitations for depository services is required.

5. **Question:** Are there any minimum AUM or longevity requirements for a firm or investment strategy to be eligible to submit a RFP response?

Answer: No.

6. **Question:** The RFPO states the possibility of discretionary management of core assets. Would you please provide more detail on the scope of work and the size of the discretionary and non-discretionary portions of this assignment?

Answer: The City will be open to discussing this option with the successful Respondent. No defined criteria have been set.

7. **Question:** Do you consider minority status of a firm during the evaluation process?

Answer: No, minority status is not one of the evaluation criteria.

8. **Question:** What are the City's plans for Capital projects for the next few years? Amount and approximate dates of issuance?

Answer: GO Bond issue slated for 2018 for approximately $ 41 million.

9. **Question:** In the scope of work section 5.4, it states the Investment Advisor will also assist with the procurement of banking depository services. Would it be acceptable to provide separate pricing for these services?

Answer: Yes, pricing can be separate but these services are required.

10. **Question:** What are some of the changes you are looking to implement with the investment advisory service you currently have?

Answer: The City currently only utilized non-discretionary management services. The City will be open to discussing discretionary management options with the successful Respondent.

11. **Question:** Have you considered a discretionary versus not discretionary arrangement?

Answer: The City will be open to discussing this option with the successful Respondent. No defined criteria have been set.

12. **Question:** Are you considering outsourcing some of the bond management to outside managers?

Answer: No.

13. **Question:** Have you considered having advisory identify, provide documented due diligence, and acting a as a fiduciary for the investment process?

Answer: The City's investment advisor will share fiduciary responsibility with the City's investment officers.

14. **Question:** Could you send a sample of the type of reporting you are looking for (RFP 7.8)?

Answer: The City requires quarterly reporting in compliance with the Texas Public Funds Investment Act as well as monthly reporting to the investment officers.
A sample monthly report (Addendum No. 1 – Attachment) is located at:
http://www.roundrocktexas.gov/departments/purchasing/solicitations/purchasing-active-solicitations/
View the current quarterly reports at: http://www.roundrocktexas.gov/main/wp-content/uploads/2014/12/March-2015-Investments.pdf

15. **Question:** Should the cost proposal include consulting/advisory in addition to estimating the cost of investment management if pooled investment vehicles are utilized?

Answer: Yes, the cost proposal should include costs of all services, including costs associated with additional services offered per Part III, Section 4.2.5.8.

16. **Question:** Is this a newly develop RFP?

Answer: Yes, this is a new Request for Proposals (RFP) for Investment Advisory Services.

Approved by _____

Deborah Knutson, Purchaser

By the signatures affixed below, Addendum No. 1 is hereby incorporated into and made a part of the above referenced solicitation.

ACKNOWLEDGED

_____	_____	_____
Vendor	Authorized Signature	Date

RETURN ONE COPY SIGNED COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE WITH YOUR SEALED PROPOSAL. FAILURE TO DO SO MAY AUTOMATICALLY DISQUALIFY YOUR RESPONSE FROM CONSIDERATION FOR AWARD.