



Legislation Text

File #: RFP 18-008, **Version:** 1

Awarding Request for Proposal for Arbitrage Rebate Services.

Summary: Following City Council approval on August 21, 2018, the City issued an RFP for arbitrage rebate services with the new agreement to begin at the conclusion of the five-year term on the current agreement with Arbitrage Compliance Specialists (ACS). The current term expires on September 30, 2018.

Responses to the latest RFP for arbitrage rebate services were due on September 17, 2018 and four (4) firms responded as follows: Arbitrage Compliance Specialists, BLX Group LLC, Causey Demgen & Moore P.C., and Ehlers Inc. The following evaluation criteria was applied to analyze and score the responses with the greatest emphasis on qualifications, experience, and technical ability:

30 points	Technical ability
30 points	Qualifications and experience
15 points	Thoroughness of response
15 points	References
10 points	Pricing
100 points	Total

The goal of the RFP process was to select a qualified firm to perform the City's arbitrage rebate services for fiscal years 2019 through 2021, with an option to extend the agreement in each of the two successive years through fiscal year 2023. The selected firm must be able to, accurately and on a timely basis, complete all necessary arbitrage rebate computations and reporting. Because these are specialized services that are not typically handled in-house, this involves effective communication with the City in order to establish a timeline for reporting deadlines and to then obtain the required data for the computations. The firm should be available to respond to questions related to arbitrage rebate at any time including questions that may arise during the bond issuance process.

The responses were reviewed and scored by the Director of Finance and following these evaluations, the results were presented to the City Manager and Assistant City Manager. All firms have experience providing arbitrage rebate services, with some firms more experienced than others. Distinctions are noteworthy in the staff size and level of experience, how long the firms have offered the services, their philosophy and approach to providing the services, and their pricing structure. Based on the evaluation criteria, the final ranking is as follows:

1. Arbitrage Compliance Specialists

2. BLX Group LLC
3. Ehlers Inc.
4. Causey Demgen & Moore P.C.

The City finds no compelling reason to migrate these services to a new firm at this time, and recommends award of the RFP to ACS. ACS has been doing a great job for the City, and given their knowledge and experience working with the City the last five years, this would benefit the City in terms of the time and expense of transitioning to a new firm. ACS solely provides arbitrage rebate services and has done so since 1986. While the corporate headquarters are in Colorado, the firm has regional support offices in several states, including Texas. The team assigned to work on the City's engagement has a combined 105 years of experience in providing arbitrage services. The ACS reports include a CPA and a legal review. Because this term would be a continuation of their current services, ACS has reduced their fees resulting in a cost savings for arbitrage rebate services in future years.

Fiscal/Budgetary Impact: Arbitrage rebate services are funded by the respective bond proceeds. If funds are not available in the particular bond fund, the fees may be paid out of the General Fund (Account Number 10-105-4240, Consultant Fee).

Award the RFP for arbitrage rebate services to Arbitrage Compliance Specialists.