



AGENDA MEMORANDUM

Future Item for the City Council Meeting of September 11, 2018
Action Item for the City Council Meeting September 18, 2018

DATE: September 11, 2018

TO: Keith Selman, Interim City Manager

FROM: Constance P. Sanchez, Director of Finance
ConstanceP@cctexas.com
(361) 826-3227

Kim Baker, Assistant Director of Financial Services-Purchasing Division
KimB2@cctexas.com
(361) 826-3169

Service Agreement for Arbitrage Compliance Services

CAPTION:

Motion authorizing a three-year service agreement for arbitrage compliance services with Arbitrage Compliance Specialists, Inc., Centennial, Colorado, for \$46,500 with two one-year options for a potential multi-year contract amount of \$77,500.

PURPOSE:

To approve a three-year service agreement with Arbitrage Compliance Specialists, Inc. to provide arbitrage compliance services for the Finance Department.

BACKGROUND AND FINDINGS:

The agreement provides arbitrage rebate compliance services related to reviewing the City's tax-exempt debt service funds, debts service reserve funds, capital projects funds, and other funds, into which tax-exempt proceeds may have been deposited. The Contractor will also assist in the event of an Internal Revenue Service (IRS) inquiry or audit related to arbitrage issues. The current contract is close to its expiration date.

The Purchasing Division conducted a Request for Proposal process to obtain proposals for the new contract. The City received three responsive, responsible proposals for RFP No. 1269 Arbitrage Compliance Services that were evaluated against the criteria in the RFP and is recommending the award to Arbitrage Compliance Specialists, Inc., as the highest scoring firm providing the best value to the City.

ALTERNATIVES:

Not applicable.

OTHER CONSIDERATIONS:

Not applicable.

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and State statutes regulating procurement.

EMERGENCY / NON-EMERGENCY:

Non-emergency.

DEPARTMENTAL CLEARANCES:

Finance Department

FINANCIAL IMPACT:

X Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2017-2018	Current Year	Future Years	TOTALS
Line Item Budget	\$0.00	\$77,500.00	\$77,500.00
Encumbered / Expended Amount	\$0.00	\$0.00	\$0.00
This item	\$0.00	\$77,500.00	\$77,500.00
BALANCE	\$0.00	\$0.00	\$0.00

Fund(s): Debt Services - 2010

Comments: The contract will be budgeted in the future year's budgets.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Service Agreement
Evaluation Matrix