

**ADDENDUM ONE**

**PROFESSIONAL SERVICES FOR**

**ARBITRAGE REBATE COMPUTATION AND OPINION SERVICES**

**Question:** Has the City gone out to RFQ for these services for reasons other than a periodic requirement?

**Response:** No

**Question:** Who is your current provider for arbitrage rebate?

**Response:** Arbitrage Compliance Specialists, Inc.

**Question:** For what reasons, other than fee, would the City choose a new provider?

**Response:** Qualifications, professionalism, preparation and quality work, years in the business, references, any references in Tennessee, interaction with City administration and staff

**Question:** Can the prior reports prepared by your current vendor be relied upon as a starting point for future computations?

**Response:** Yes

**Question:** Are bond proceeds deposited with a Trustee or managed by the City?

**Response:** Refunding proceeds are deposited with an Escrow Agent; new issue proceeds are deposited with and managed by the City

**Question:** What is the City's current annual budget for arbitrage compliance reporting?

**Response:** as needed when looking one year in advance for reporting due dates

**Question:** Has the City ever had a bond audited by the IRS?

**Response:** Yes though not for arbitrage.

**Question:** On page 8, Vendor Registration, states "as part of doing business with the City, each company is required to register with the City" – do we need to register before submitting proposal or upon award of contract?

**Response:** No

**Question:** Section 3.4 of the RFQ refers to Exhibit 3, Fee Schedule Worksheet but there is no Exhibit 3 in the RFP document. Can you provide this form?

**Response:** This form was pulled at the last moment on advice of City Purchasing as we will not evaluate the proposer qualifications based on a fee

**Question:** How much did the City pay in 2016 for arbitrage reporting?

**Response:** Calendar 2016 - \$2,650 FY16 July 1, 2015- June 30, 2016 - \$11,050

**Question:** Is the City requesting only five-year arbitrage reporting or annual going forward (Section 3.4A)?

**Response:** 5 year unless otherwise indicated by calculation it should be more often to prepare or mitigate an issue with the IRS. If more often, this would be determined in discussion and coordination with the City Finance Office.

**Question:** Is the City requiring the inclusion of a legal opinion with each annual and/or five-year report (Section 3.3L)?

**Response:** The purpose of the question is for the bidder to tell us if a legal opinion is required concerning the calculation or for any reason to represent the city's position with the IRS; if they have in house staff to consult and advise or if this service is contracted to a third party.