



Brazos River Authority

August 26, 2020

Addendum No. 1 ARBITRAGE CALCULATION SERVICES RFP No. 20-08-1180

It is the responsibility of the Respondent to assure and guarantee by acknowledging the receipt of this Addendum in the Proposal that the Respondent has received the Addendum in its entirety, and that the Respondent accepts all conditions contained herein.

Question 1:

Which firm currently provides arbitration compliance services for the Authority, and for how long has such firm been providing services to the Authority? Who is the current provider and what is their current fee structure? Who is the Authority's current arbitration rebate provider and does the Authority have any concerns with the current provider? What is the reason for going out for bid? Who is the current arbitration calculation service provider?

Answer 1:

The BRA currently does not have a contract with a provider. Contract expired and the BRA is required to conduct a solicitation.

Question 2:

What is the annual budget/cost the Authority spends on the arbitration calculations?

Answer 2:

Not available at this time.

Question 3:

What is the format of data provided to the arbitration consultant? (Bank/pool statements, spreadsheets, ledgers?)

Answer 3:

Excel spreadsheets.

Question 4:

Do any of the current bond issues have unspent proceeds other than reserve and debt service funds?

Answer 4:

No

Question 5:

How many reserve and debt service funds does the Authority maintain? Are these commingled by functional areas?

Answer 5:

2 reserve funds (Authority SR2009 and Jonah SR 2007, 2008, 2012) and 3 debt service funds (Water supply bonds, WCRRWL contract revenue bonds and Jonah contract revenue bonds).

Question 6:

Can the investment information be provided electronically in Excel or an ASC file?

Answer 6:

Yes, will provide in Excel.

Question 7:

Does the Authority have a 2019 rebate report prepared for each outstanding bond issue?

Answer 7:

The Authority has 2019 reports for the Series 2007, 2008, 2009 and 2012 issues.

Question 8:

What was the current fee per issue and the total billing for 2019?

Answer 8:

Not available at this time.

Question 9:

Does the Authority require annual calculations or 5th year installment calculations only? If annual, are all calculations to be performed as of a Fiscal Year or anniversary date of the issue?

Answer 9:

Annual calculations as of Fiscal Year end & 5-year calculations as of the anniversary date.

Question 10:

Are bond investments and expenditures separately tracked and specific to each bond issue?

Answer 10:

Yes.

Question 11:

Are there individual debt service funds set up for each bond issue or are they pooled? Are the debt service funds typically bona fide?

Answer 11:

See Answer 6. Yes.

Question 12:

The RFP states that in order to be eligible, the respondent must comply with all legal requirements that permits them to operate in the State of Texas. We were wondering where we can find these legal requirements and if it would suffice to submit a certification stating that we are licensed to do business in the State of Texas?

Answer 12:

If you have any questions regarding your firm's legal requirements to operate in the State of Texas, please consult your own legal counsel.

Question 13:

Why is BRA requesting proposals?

Answer 13:

See Answer 1.

Question 14:

What is the most recent computation date for each bond issue in scope?

Answer 14:

August 31, 2019.

Question 15:

How are the bond proceeds currently invested?

Answer 15:

Currently do not have any bond proceeds.

Question 16:

Are the funds held by a trustee bank?

Answer 16:

No.

Question 17:

Please describe any commingling of bond proceeds with other bond proceeds or other funds?

Answer 17:

Proceeds are typically invested separately. Although cash is pooled into a couple of bank accounts, each issue would have its own general ledger account for proceeds and is accounted for separately.

Sincerely,

Clarissa Cabrera, CTPM, CTCM

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Purchasing Manager, Administrative Services