



CONTRACT EXTENSION – INVESTMENT ADVISORY SERVICES

City Council Meeting
September 25, 2018

Chuck McBride
Chief Financial Officer

CURRENT

- City uses a consultant to investment and advisory services for most of the City's \$400 million portfolio
- PFM Asset Management has provided these services since 2007
- Fees for their services are based on the total value of the assets they manage

PROPOSED

- Waive competitive bidding process and extend the contract for one year, until October 9, 2019
- Fees and all other contract terms remain the same
- Estimated cost, based on PFM-managed assets of approximately \$352M is approximately \$216,000
- Contract Not-to-Exceed amount is \$235,000 to allow for portfolio increase

BENEFIT

- Waiver of competitive bidding process to allow for thorough RFP and selection process
- Maintains reporting – for monthly and annual accounting purposes, but also for monthly investment reports – through extension

RECOMMENDATION

- It is recommended by the Chief Financial Officer that the Council, by resolution, authorize a waiver of competitive bidding and approve a sixth amendment to Contract Number 008687 - Investment Advisory Services, with PFM Asset Management LLC, San Francisco, California, extending the term of the contract for one additional year from October 8, 2018 to October 9, 2019, with fees, based on assets managed, not to exceed \$235,000 for the one-year extension.

QUESTIONS?