

# City of Franklin Addendum No. 1 to

Purchasing Office Solicitation No.: 2020-027

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1. Solicitation identified: This Addendum No. 1 applies to the following procurement solicitation:

**custody services for non-pension investments**

**Purchasing Office Solicitation No.: 2020-027**

2. Notice to Proposers publication date: **May 28, 2020**
3. Solicitation release date: **May 28, 2020**
4. Deadline for optional submittal in writing of questions of a non-procedural nature seeking to clarify or revise any aspect of this procurement solicitation: **June 18, 2020, 2:00 p.m. Central Time**
5. Addendum No. 1 release date: **June 18, 2020**
6. Proposals submittal deadline and scheduled opening: **June 30, 2020, 2:00 p.m. Central Time**
7. Tentative date for discussions with one or more finalists, if such discussions are to be conducted: **Week of July 13, 2020**
8. Tentative date of release of City's tabulation of proposals received and notice of intent to award: **August 7, 2020**
9. Tentative date of award: Meeting of Board of Mayor and Aldermen at which the procurement is tentatively scheduled to be awarded to the responsible proposer that submits the responsive proposal that best meets the needs of the City: **August 25, 2020**
10. Target effective date for term of award: **October 1, 2020 or as established by the procurement agreement as executed in full**

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## Purchasing Office Solicitation No.: 2020-027

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### 11. Addendum:

In reference to the City of Franklin's May 28, 2020 Purchasing Office Solicitation No. 2020-027 for custody services for non-pension investments, the City has been asked certain questions about the solicitation by one or more vendors who are potential proposers.

The purpose of this Addendum No. 1 is to announce the City's responses to the questions that have been asked to date.

Please note that the submittal deadline and scheduled opening of all proposals received remains unchanged and is:

**June 30, 2020, 2:00 p.m. Central Time**

Below are the questions asked to date and the City's responses thereto:

Q1: We noticed a proposal went out to bid in 2019, is there a specific reason the City is accepting proposals again? Was that award term solely one year?

A1: The City was unable to negotiate a mutually acceptable procurement agreement with the firm that scored highest overall on the 2019 solicitation. At its March 24, 2020 meeting, the Board of Mayor and Aldermen approved staff's recommendation to reject all proposals and solicit new proposals. Until completion of this new solicitation, the City has continued to do business with the incumbent service provider.

Q2: Are there any current service level issues the City is experiencing with their current Custodian?

A2: The term of award for the incumbent service provider is expired. The City seeks to establish a new term contract for custody services for non-pension investments.

Q3: Are you willing to share the current fee structure the City has in place with the Custodian?

A3: The fee structure as of 7/1/2013 is:

**Market Value Fees-based on assets in the account**

• First \$5,000,000	0.0004%
• Next \$25,000,000	0.0001%
• Next \$25,000,000	0.00008%
• Next \$50,000,000	0.00006%

**Notes:**

- A minimum annual fee of \$5,000 will apply
- **These fees should be deducted out of the assets in the account quarterly.**

With this structure, the City has paid the following amounts over the past 4 quarters:

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<b>Period</b>	<b>Amount</b>
Jan 2020-Mar 2020	\$2,473.29
Oct 2019-Dec 2019	\$2,320.81
Jul 2019-Sep 2019	\$2,308.16
Apr 2019-Jun 2019	<u>\$2,347.50</u>
Total	<u>\$9,449.76</u>

Q4: Items 8 and 9 of the Instructions for Proposers refer to signed and sealed delivery and that email proposals will not be accepted. In this time of sole remote “work from home” conditions, I am unable to provide a hard copy. Due to the current environment, will you accept an email version only?

A4: No, the City requires the proposals be submitted on paper with original signatures and sealed in an envelope, all in accordance with the Instructions for Proposers.

Q5: Of the \$137.7M invested in Money Markets, Government Agency Notes and US Treasury Obligations, I want to confirm that there are no global or special assets (mutual fund, line item) included.

A5: There are no global or special assets in the invested amount.

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12. Acknowledge addendum: Proposers shall acknowledge this addendum on the Proposal Submittal Form in the space to the right of the text on that form that reads, "Acknowledge any and all issued addenda to this solicitation."
13. Questions seeking to clarify or revise the procurement solicitation: Questions seeking to clarify or revise any aspect of the procurement solicitation shall be submitted by contacting:

City of Franklin Purchasing Office  
Franklin City Hall, Suite 107  
109 3<sup>rd</sup> Ave. South  
Franklin, TN 37064  
[purchasing@franklintn.gov](mailto:purchasing@franklintn.gov)  
Tel: 615-550-6692  
Fax: 615-550-0079

Such questions of a non-procedural nature shall be submitted before the deadline for optional submittal in writing of questions of a non-procedural nature seeking to clarify or revise the procurement solicitation.

Such questions of a procedural nature may be submitted either before or after the deadline for optional submittal in writing of questions of a non-procedural nature seeking to clarify or revise the procurement solicitation.

Depending upon the inquiry, the City may request that the question seeking to clarify or revise any aspect of the procurement solicitation be submitted in writing, and the City may choose to announce, typically in the form of an addendum, both the inquiry and the City's response thereto.

14. Communication with City during procurement phase: Any questions seeking to clarify or revise any aspect of the procurement solicitation should be addressed to the City as described above. Until the procurement award has been made, suppliers / service providers shall not communicate about either the content of or the procurement process pertaining to this procurement solicitation with any official, employee or other representative of the City except through the City's Purchasing Office. The City reserves the right to disqualify any supplier / service provider that initiates unauthorized communication with the City during the procurement phase (that is, the period of time between when the procurement solicitation has been posted on the [Business Opportunities webpage](https://www.franklintn.gov) of the City's website (<https://www.franklintn.gov/>) and when the procurement award has been made).