



Legislation Text

File #: 2020-017, Version: 1

Report to Mayor and City Council

Tuesday, January 28, 2020

Consent

SUBJECT:

CONSIDERATION OF APPROVAL OF AMENDMENT NO. 1 TO 2016 AGREEMENT FOR BONDS ARBITRAGE, REBATE AND TAX COMPLIANCE CALCULATIONS REQUIREMENT WITH BLX GROUP LLC.

I. SUMMARY

On November 30, 2016, BLX Group LLC was awarded a 3-year contract service agreement to perform calculations relating to the arbitrage and rebate requirements contained in the Internal Revenue Code (IRC). Staff is requesting approval of Amendment No.1 (Exhibit No. 2) to amend the term of the contract to not to exceed contract amount of \$28,800 and until the completion of the services but not exceeding November 1, 2022. This amendment is necessary to allow for continued Bonds arbitrage and rebate analysis.

II. RECOMMENDATION

TAKE the following actions:

1. APPROVE Amendment No. 1 to the contract with BLX Group, LLC to provide bond arbitrage and rebate calculation services, authorizing an increase in the contract sum in the amount of \$12,600 for the cost of services, thereby increasing the total contract sum from \$16,200 to \$28,800.
2. AUTHORIZE the Mayor to execute Amendment No. 1 to the contract with BLX Group, LLC.

III. ALTERNATIVES

TAKE any other action the City Council deems appropriate.

IV. BACKGROUND

On November 2016, the City awarded a three-year contract services agreement ("2016 Agreement") to BLX Group, LLC to perform calculations relating to the arbitrage and rebate requirements contained in the Internal Revenue Code (IRC). The reports and calculations are performed with respect to all Bonds issues requested by the City by applying applicable federal tax rules. The term of the agreement was from November 30, 2016 to November 30, 2019, with the City's option to amend the agreement for one additional three-year term (section 8.4). The contract sum was not-to-exceed amount of \$16,200. Staff is requesting approval of the amendment to extend the term an additional 3 years for \$12,600. This amendment is necessary to allow for continued Bonds arbitrage and rebate services.

V. FISCAL IMPACT

There is no additional funding requested at this time. The total appropriation is available within the Finance Department budget of the General Fund.

VI. EXHIBITS

1. BLX Group, LLC amendment. (Pgs 3-9)

- 1.

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