



**Contract and Award Letter  
Purchase Resolution – Exhibit “A”**

**TO:** Board of Contracts and Awards  
**FROM:** Michael San Soucie, City Treasurer, Finance  
Andy Cherullo, Director, Finance  
Patsy Best, Procurement and Payables Division Manager, Finance  
**COPY:** Public Utility Board, Director of Utilities, Board Clerk, City Council, City Manager,  
City Clerk, EIC Coordinator, LEAP Coordinator, and Brandon Snow, Senior  
Buyer, Finance/Procurement  
**SUBJECT:** Investment Advisory Services  
Request for Proposal FI24-0205F February 12, 2025 Public Utility Board and  
February 25, 2025 City Council  
**DATE:** January 13, 2025

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**RECOMMENDATION SUMMARY:** The Finance Department recommends a contract be awarded to Government Portfolio Advisors, Portland OR, in the amount of \$2,500,000, plus applicable taxes, budgeted from various funds, for an initial contract term of six years, with the option to renew for two additional two-year terms, for a projected contract amount of \$4,000,000, plus applicable taxes, for investment advisory services and non-discretionary management of the citywide investment portfolio.

**STRATEGIC POLICY PRIORITY:**

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

**BACKGROUND:** The City maintains an investment portfolio with cash balances being invested to achieve three goals: safety of the assets, liquidity which provides funds to pay bills, and yield to create earnings on the investments. The City works closely with an investment advisor who provides expertise and guidance to ensure the portfolio follows applicable state laws and the City's investment policy.

**ISSUE:** The City's current investment advisory services contract is expiring soon and a request for proposals was issued to select a provider for future investment advisory services.

**ALTERNATIVES:**

Option 1: To request a direct negotiation waiver for a new contract with our current provider. This option was not pursued as we wanted to solicit competition to ensure the City was receiving the best pricing and services.

Option 2: To manage the portfolio completely in house without using an advisor. This was not pursued as managing the portfolio in house would require resources to be focused heavily on this one task leaving other areas of work with diminished support.

**COMPETITIVE SOLICITATION:** Request for Proposals Specification No. FI24-0205F was opened September 24, 2024. 35 companies were invited to bid in addition to normal advertising of the project. Seven submittals were received. Two submittals advanced to in person interviews after the initial review of the written submittals.

The table below reflects the final scoring.



<u>Respondent (RFP)</u>	<u>Location</u>	<u>Score</u>
<b>Government Portfolio Advisors</b>	<b>Portland OR</b>	<b>443</b>
Chandler Asset Management	Seattle WA	411
PFM Asset Management	Tempe AZ	380
Hilltop Securities Asset Management	Austin TX	369
Meeder Public Funds	Las Vegas NV	338
UBS Foundation Investment Group	New York NY	295
Garcia Hamilton & Associates	Houston TX	258

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Five percent of the final scoring was reserved for sustainability considerations.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Five percent of the final scoring was reserved for equity in contracting considerations.

Not applicable - Service contract - EIC Regulations are not yet established

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: Not applicable.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various Departmental Funds	Various	Various	Up to \$4,000,000
<b>TOTAL</b>			<b>Up to \$4,000,000</b>

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various Departmental Funds	Various	Various	Up to (\$4,000,000)
<b>TOTAL</b>			<b>Up to (\$4,000,000)</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 800,000**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes**

**IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A**