



CITY OF HOUSTON
FINANCE DEPARTMENT
 Strategic Procurement Division

Annise D. Parker
 Mayor

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November 17, 2015

MEMORANDUM FOR: ALL PROSPECTIVE PROPOSERS

FROM: Finance Department Strategic Procurement Division

SUBJECT: Addendum to RFI I00581 Lead Underwriting Services

1. Below are the questions that have been submitted in accordance with the instructions provided in the "Submission Format." The following changes and/or revisions have been incorporated into RFI I00581.

RESPONSES TO QUESTIONS

<i>Scope of Work Questions</i>	
Question 1:	For purposes of calculating the average takedown for Exhibit A, is there an amortization schedule for the \$245 million issue that should be used?
COH Response:	Assume total par size of \$245 million, where by the total par size is divided equally over the provided 30 maturity dates.
Question 2:	For the Estimated Expenses, in order to compute the Average Takedown and have it be comparable across respondents, could the City provide an exact structure for this purpose?
COH Response:	Please see the response to Question 1.
Question 3:	Exhibit A of the RFI asks for coupons and yields based on a March 1 payment date. It is our understanding that the Utility System's payment dates are May 15 or November 15. Can you please confirm which maturity date we should assume for our analysis?
COH Response:	The proposed transaction will be payable semiannually on each May 15th and November 15th. The principal maturity will be payable each November 15th
Question 4:	Page 1 of RFI #S70-I00581, states that the proposed CUS Series 2016 issuance will be payable on November 15 and May 15. The Excel file (Exhibit A) to be completed with market rates shows principal payment dates of March 1. CUS currently pays debt service on 5/15 & 11/15. Could you please confirm what dates should be assumed for purposes our response.
COH Response:	Please see the response to Question 3.

Council Members: Brenda Stardig Jerry Davis Ellen R. Cohen Dwight A. Boykins Dave Martin Richard Nguyen Oliver Pennington Edward Gonzalez Robert Gallegos Mike Laster Larry V. Green Stephen C. Costello David W. Robinson Michael Kubosh C.O. "Brad" Bradford Jack Christie

Controller: Ronald C. Green

Question 5:	The RFQ states interest pays May 15 and November 15 but Exhibit A reflects a March 1 maturity date. Can you clarify/confirm the maturity and interest payment dates?
COH Response:	Please see the response to Question 3.
Question 6:	Is the \$245 million inclusive of the New Money / CP Takeout and the Fixed-Rate Refunding?
COH Response:	The \$245 million only represents the New Money/CP Takeout.
Question 7:	Can you please provide a breakdown of the New Money / CP Takeout and the Fixed-Rate Refunding?
COH Response:	The refunding portion is TBD; please assume the \$245 million only represents the New Money/CP Takeout.
Question 8:	What is the City's preferred term of the New Money / CP Takeout amortization – for example, 30 years?
COH Response:	Please assume a 30-year amortization.
Question 9:	Will the first interest payment for the proposed financing be on May 15, 2016 or November 15, 2016?
COH Response:	Please assume the first interest payment date will be November 15th 2016.

2. All other terms and conditions remain unchanged. Thank you for your continued interest in this requirement.


 ASHLEY ALESSANDRINI
 Senior Procurement Specialist