



City of San Antonio

Agenda Memorandum

File Number:21-1872

Agenda Item Number: 20.

Agenda Date: 3/4/2021

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City-wide

SUBJECT:

Extension of a Professional Services Agreement for Investment Training and Consultant Services Renewal

SUMMARY:

This Ordinance approves the second extension of the professional services agreement for investment consulting and investment training services with Patterson Capital Management LLC D/B/A Patterson and Associates for the second of two (2) one-year renewal terms beginning October 1, 2020 and ending on September 30, 2021 and ratifies services and authorizes payment at a cost of \$2,000.00 per month, payable quarterly in arrears.

BACKGROUND INFORMATION:

On June 20, 2016, the City of San Antonio (the "City") issued the Investment Consulting and Investment Training Services Request for Proposal ("RFP"). On August 16, 2016, the City's Investment Committee approved Patterson Capital Management to provide these services and the agreement was approved by City Council on September 8, 2016. The term of the agreement was from October 1, 2016 through September 30, 2019 with the option at the City's sole discretion for two (2) one-year renewals under the same terms and conditions.

On February 26, 2020 the City's Investment Committee approved the first extension of the agreement for one (1) year under the same terms and conditions.

On February 11, 2021 the City's Investment Committee approved the second extension of the agreement for one (1) year under the same terms and conditions.

The fees for investment training and consulting services are \$2,000.00 per month, payable quarterly. Patterson Capital Management provides investment training to the City's designated Investment Officers in accordance with the Texas Public Funds Investment Act on a bi-annual basis, investment management advice, and assistance with the annual review of the City's Investment Policy.

ISSUE:

This action is consistent with the City's policy to employ consultant services to assist the City in the management of its investment portfolio, provide investment training, and provide additional services as may be required.

ALTERNATIVES:

The City could choose to release a new RFP for investment training and consultant services or continue without the services of an investment advisor/consultant. Relinquishing consultant services could impact the availability of investment advice for the City's management of its investment portfolio as well as the investment training that the City's Investment Officers are required to obtain.

FISCAL IMPACT:

Annual cost for investment training and consultant services are included in the FY 2021 Adopted Budget for the Finance Department. This Ordinance approves the second extension of the professional services agreement for investment consulting and investment training services with Patterson Capital Management LLC D/B/A Patterson and Associates for the second of two (2) one-year renewal terms beginning October 1, 2020 and ending on September 30, 2021 for a total annual contract cost of \$24,000. Funding available in the 2021 Operating Budget. Funding is dependent on the availability of the department's operating budgets and has already been budgeted for.

RECOMMENDATION:

Staff recommends approval of the professional services agreement renewal with Patterson Capital Management to provide investment training and consultant services to the City for a renewal period of one (1) year commencing on October 1, 2020 and ending on September 30, 2021.