



MORIN BUILDING  
8570 EXECUTIVE PARK AVENUE  
FAIRFAX, VIRGINIA 22031

**December 2, 2016**

To: All Prospective Offerors

Issued by: Mary Pennington, CPPB, Buyer II

Subject: Addendum #1, RFP 16-12, Investment Adviser and Portfolio Management Services

The purpose of this addendum is answer questions submitted by the specified deadline.

**I. Questions and Answers**

1. Q. I see in the RFP that the fund invests in various securities/bonds. I just want to confirm whether or not the fund have any other investment holdings in equities or alternative assets, or if the portfolio is just fixed income?  
  
A. Equities and alternative assets are not an allowable investment under our Investment Policy.
  
2. Q. I just want to ask you if Fairfax Water currently employs the service of any kind of investment manager, investment consultant, or OCIO? If so, which firm(s)?  
  
A. The current investment adviser is PFM Asset Management.
  
3. Q. I was also wondering if it would be possible to know why Fairfax Water is seeking these services at this time? Was the need for an investment adviser sparked by a specific circumstance?  
  
A. The current contract is expiring.
  
4. Q. Which firm is the current custodian?  
  
A. U.S. Bank

5. Q. Which entity will have the final approval of the list of dealers used to purchase bonds?
- A. The investment adviser will have final approval of the brokers/dealers list assuming a detailed selection criteria description is provided to Fairfax Water that supports that list.
6. Q. Will banks that are supervised by the U.S. Department of Treasury's Office of the Comptroller of the Currency, and are exempt from registering as SEC registered investment advisors under the Investment Advisers Act of 1940 be considered.
- A. If proof of exemption is provided, they will be accepted as having met that particular minimum qualification.
7. Q. Who is the current Investment Adviser for Fairfax Water?
- A. PFM Asset Management

**NO OTHER QUESTIONS WERE RECEIVED**

**II. Acknowledgement**

Acknowledge your receipt of, and compliance with, this Addendum by either signing the attached acknowledgement, or referencing its receipt and your compliance, in your bid.

**RFP 16-12 – Investment Adviser and Portfolio Management Services**

**ACKNOWLEDGEMENT OF RECEIPT OF ADDENDUM # 1**

I certify that the information contained in the proposal submitted on behalf of the below named firm incorporates any and all changes to the original specification. I further certify by my signature below, that I am fully authorized to acknowledge receipt of the above addendum and also bind the below named firm to the terms, conditions and specifications of the RFP and any changes thereto made by this addendum.

**ACKNOWLEDGED BY:**

**FOR:** \_\_\_\_\_  
Company Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Authorized Agent

\_\_\_\_\_  
Printed/typed name

\_\_\_\_\_  
Title