

August 30, 2019

SUBJECT: REQUEST FOR PROPOSALS FOR THE PERFORMANCE OF EXPERT PROFESSIONAL INVESTMENT MANAGEMENT SERVICES FOR THE PORT AUTHORITY OF NEW YORK & NEW JERSEY - OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST 2019 THROUGH 2022 (RFP#58422) – ADDENDUM #3

Dear Sir or Madam:

The Port Authority has received the following questions on the subject RFP:

	Question	Response
3	With regard to the “Authority standard” referenced in the included agreement for Performance of Expert Professional Investment Management Services for Other Post-Employment Benefits (OPEB) Trust 2019 through 2022 (the “Agreement”), section 3 et al., can you please define this standard?	Response pending.
4	Can we assume that we will negotiate the contents of “Attachment A” of the Agreement (see reference in section 1 of the Agreement) if we are chosen, or should we propose a sample Attachment A (description of professional investment management services)?	The selected firm will be required to perform the services set forth in Attachment A. The Port Authority does not anticipate negotiating the scope with the selected firm.
5	Does the OPEB Trust qualify under Internal Revenue Code (“IRC”) Section 401(a) by virtue of complying with IRC Sections 401(h)(1) through (h)(6)?	Response pending.
6	Are you aware of any state or municipal regulations which may prevent an investment manager which is neither incorporated in the State of New York or a National Association, from providing custody of certain assets of the OPEB Trust, such as collective funds maintained by the investment manager (i.e. I believe there is a NY regulation	Firms should seek guidance from their legal counsel regarding applicable municipal regulations.

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	which requires a custodian of assets of a NY entity be either incorporated in NY or a National Association)?	
7	<p>Can we delete the following language from the Agreement:</p> <p><i>“The Consultant shall verify that its employees, subconsultants or subcontractors working under this Agreement are legally present and authorized to work in the United States, as per the federally required I-9 Program. Furthermore, upon the request of the Authority, the Consultant shall furnish, or provide the Authority access to Federal Form I-9 (Employment Eligibility Verification) for each individual hired by the Consultant, performing services hereunder. This includes citizens and noncitizens.”</i></p>	Exceptions to the Agreement and suggested deletions will be considered with the selected firm.
8	Given the construct of the OPEB Trust is there an ability to change the Investment Policy Statement with the objective of introducing alternative investment strategies (e.g., hedge funds, private equity) to the strategic asset allocation (thereby modifying the prohibited investments section as well)?	The Port Authority is not considering changing our Investment Policy at this time, we may consider these investment strategies at a future time.
9	The OPEB Trust is a long-term investor (10-15 year time horizon), so is there the ability given the definition of the Trust to have a certain portion in illiquid assets?	The Port Authority is not considering changing our Investment Policy at this time, we may consider these investment strategies at a future time.
10	With respect to pooled investment vehicles, is the Trust restricted to solely making investments in 40 Act compliant vehicles or is there an ability to modify the Investment Policy Statement on the types of permitted vehicles?	The Port Authority is not considering changing our Investment Policy at this time, we may consider these investment strategies at a future time.
11	Is the Port Authority seeking a general investment manager for all asset classes? Or would they consider a specialized	We are looking for a general portfolio manager for all asset classes.

	investment manager for portions of their portfolio such as one specializing in alternative assets that could help build/grow their alterative assets program?	
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If you have any questions, please contact Mr. Timothy J. Pullen at tpullen@panynj.gov.

Sincerely,

David Gutiérrez, CPPO
Assistant Director
Procurement Department