



# City of Seattle

## REQUEST FOR PROPOSALS REQUEST FOR QUALIFICATIONS

### Consultant Contract

**Project Title: Actuarial Valuation Services RFP for SCERS**

### Procurement Schedule

Table 1: Procurement Schedule

RFP Activity	Date
Notice of Opportunity Issued	September 23, 2019
RFP Issued:	October 7, 2019
Letter of Intent to Bid Due:	October 17, 2019
Optional Pre-Submittal Conference 720 3 <sup>rd</sup> Avenue, Suite 900 Seattle, WA 98104	October 14, 2019 or October 15, 2019 Contact Nina Melencio ( <a href="mailto:nina.melencio@seattle.gov">nina.melencio@seattle.gov</a> ) for Skype option
Deadline for Questions	October 17, 2019
Response Deadline	October 28, 2019
Evaluation Period:	October 28, 2019-November 13, 2019
Interviews (if needed):	Week of November 25, 2019
Anticipated Negotiation Schedule	Early December 2019
Contract Execution	Mid December 2019
Contract Effective Date:	January 1, 2020

*The City reserves the right to modify this.  
Changes will be posted on the City website or as otherwise stated.*

# Procurement Contact Information

Procurement Contact: **Paige Alderete, Chief Finance/Operations Officer**  
**206-615-1423/ Paige.Alderete@seattle.gov**

**Table 2: Delivery Address**

**It is important to use the correct address for the delivery method you chose.**

Fed Ex & Hand Delivery - Physical Address	US Post Office - Mailing Address
Paige Alderete, Chief Finance/Operations Officer Seattle City Employees' Retirement System 720 3 <sup>rd</sup> Avenue, Suite 900 Seattle, Washington, 98104	Paige Alderete, Chief Finance/Operations Officer Seattle City Employees' Retirement System 720 3 <sup>rd</sup> Avenue, Suite 900 Seattle, Washington, 98104

Unless authorized by the Procurement Contact, no other City official or employee may speak for the City regarding this solicitation until award is complete. Any Proposer contacting other City officials or employees does so at Proposer's own risk. The City is not bound by such information.

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# 1. Purpose and Background.

## **Purpose:**

The Seattle City Employees' Retirement System (SCERS) is seeking proposals from qualified actuarial and benefits consulting firms for the following services:

- Annual actuarial funding valuation assessment and report, which provides an estimate of SCERS' financial condition as of January 1<sup>st</sup> of each year.
- Annual Government Accounting Standards Board (GASB) 67 & 68 disclosure report as of January 1<sup>st</sup> of each year, which will provide SCERS the information needed to fulfill its financial accounting requirements.
- Annual calculation of the Restoration of Purchasing Power (ROPP "floor") Cost of Living Adjustment (COLA), that SCERS will use to adjust its members' benefits annually as part of the November payroll.
- Other services, as needed. Historically this has included, but is not limited to,
  - Liability modeling to help SCERS understand the economic sensitivity of the liabilities
  - Providing electronic copies of updated factor tables that can be loaded into SCERS' pension administration system
  - Periodically providing SCERS with a copy of updated Capital Market Expectations.
- An investigation of experience study which will include a mortality study to be conducted every four (4) years. The next investigation of experience study will be conducted in 2022 for the time period January 1, 2018 through December 31, 2021.

The selected consultant is expected to meet with SCERS' Board of Administration (Board) to discuss each annual valuation report and to make recommendations for actuarial and economic assumptions as part of the experience study presentation.

The bidding process is open to actuarial consulting firms that meet the City's minimum requirements. The City reserves the right to reject any and all proposals, as well as to waive any minor irregularities in proposals.

## **Background Information:**

### **Plan Overview:**

SCERS provides pension benefits to former City of Seattle employees and their beneficiaries through a defined benefit plan. There are approximately 12,000 active and vested members and 6,800 retired members (or their beneficiaries) who participate in the plan. SCERS is not regulated by ERISA, although it generally follows ERISA requirements.

### **Plan Oversight:**

SCERS is governed by its Board of Administration (Board), as provided by state law (RCW 35.39) and the Seattle Municipal Code (SMC 4.36). The Board is comprised of seven members: three ex-officio members (City Finance Director, Seattle Department of Human Resources Director, and the City Council Finance Committee Chair, who chairs the Board), two active elected members, one retired elected member, and a seventh unaffiliated member appointed by the other six.

### **Plan Structure:**

SCERS's pension plan consists of two plans, SCERS 1 and SCERS 2. This request assumes that the consultant will perform separate analyses for both SCERS 1 and SCERS 2 plans and present them in a combined report. SCERS 1 includes members hired and enrolled before January 1, 2017 and SCERS 2 includes members hired and enrolled on or after January 1, 2017. Both plans essentially work the

same way and many provisions between the two plans are the same, with the main difference being that the benefits provided under SCERS 2 are slightly less generous. The table below summarizes the most significant differences between the plans:

	<b>SCERS Plan 1</b>	<b>SCERS Plan 2</b>														
<b>Employee Contribution Rate</b>	10.03 percent	7.0 percent														
<b>Final Average Salary</b>	Highest 52 pay periods	Highest 130 pay periods														
<b>Minimum Retirement Age</b>	Active employees are eligible after reaching: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">5 to 9 service years and age 62</td> <td style="width: 50%;">5 to 9 service years and age 60</td> </tr> <tr> <td>10 to 19 service years and age 57</td> <td>10 to 19 service years and age 57</td> </tr> <tr> <td>20 to 29 service years and age 52</td> <td>20 or more service years and age 55</td> </tr> <tr> <td>30 or more service years and any age</td> <td></td> </tr> </table>	5 to 9 service years and age 62	5 to 9 service years and age 60	10 to 19 service years and age 57	10 to 19 service years and age 57	20 to 29 service years and age 52	20 or more service years and age 55	30 or more service years and any age		Active employees are eligible after reaching: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">5 to 9 service years and age 60</td> <td style="width: 50%;">5 to 9 service years and age 60</td> </tr> <tr> <td>10 to 19 service years and age 57</td> <td>10 to 19 service years and age 57</td> </tr> <tr> <td>20 or more service years and age 55</td> <td></td> </tr> </table>	5 to 9 service years and age 60	5 to 9 service years and age 60	10 to 19 service years and age 57	10 to 19 service years and age 57	20 or more service years and age 55	
5 to 9 service years and age 62	5 to 9 service years and age 60															
10 to 19 service years and age 57	10 to 19 service years and age 57															
20 to 29 service years and age 52	20 or more service years and age 55															
30 or more service years and any age																
5 to 9 service years and age 60	5 to 9 service years and age 60															
10 to 19 service years and age 57	10 to 19 service years and age 57															
20 or more service years and age 55																
<b>Earned Benefit Per Year of Service Multiplier</b>	Maximum 2 percent. Refer to table in SMC 4.36.605.	Maximum 1.75 percent. Refer to table in SMC 4.36.608.														
<b>Minimum Benefit Calculation</b>	Contributions plus interest times two.	Benefit is calculated using age and length of service. See table in SMC 4.36.608.														

**Investments:**

SCERS stewards just over \$3.0 billion in assets as of the latest reporting period. SCERS has a diversified pool of assets managed by several investment managers. SCERS has four professional investment staff, including a Chief Investment Officer, and works with an independent Investment Consultant.

**Internal Operations:**

SCERS maintains overall control of overseeing the City of Seattle’s pension benefits and is the principal point of contact for the consultant. The consultant will work directly with the Chief Finance and Operations Officer. Final authority for contract decisions rests with the Executive Director.

**Current Staff:**

SCERS is staffed by 23 individuals. Staff members support pension retirement operations, accounting, investments, and information technology.

The experience and general roles of the individuals who will be your primary contacts are described in this table:

<b>Name &amp; Title</b>	<b>Current Role</b>
Chief Finance/Operations Officer	Responsible for fiscal oversight of the City’s pension plan and supervises 3 department managers.
Chief Investment Officer	Oversees SCERS’s investments and supervises 3 investment professionals.

## 2. Performance Schedule.

This is a multi-year contract for four years beginning January 1, 2020 with an option to extend for one year. The following timeline reflects an estimated schedule for completed deliverables.

Approx. Date	Deliverable	Responsible Party
January 30th	SCERS closes prior year transactions	SCERS
February 15th	SCERS provides consultant with data extracts needed for valuation	SCERS
April 5 <sup>th</sup>	Consultant provides draft GASB 67/68 Disclosure Report	Consultant
April 15 <sup>th</sup>	Consultant provides finalized GASB 67/68 Disclosure Report	Consultant
May 10 <sup>th</sup>	Consultant provides draft Valuation Report	Consultant
May 20 <sup>th</sup>	Consultant provides final Valuation Report	Consultant
June 10 <sup>th</sup>	Consultant presents Valuation Report to Board	Consultant
October 1 <sup>st</sup>	Consultant provides ROPP COLA Calculation	Consultant

## 3. Solicitation Objectives.

The City expects to achieve the following outcomes through this consultant solicitation:

- Access to:
  - Critical technical consulting experience to support SCERS's programs.
  - Consultant support for purposes of program-related meetings
  - Actuarial expertise related to public pension plans.

## 4. Minimum Qualifications.

Minimum qualifications are required for a Consultant to be eligible to submit a proposal response. Your submittal response must show compliance to these minimum qualifications. Those that are not responsive to these qualifications shall be rejected by the City without further consideration:

1. The Consultant must be a professional actuarial firm in the business of providing actuarial valuations and pension consulting services for a minimum of five years.
2. The firm must have experience as a supervising actuary including consulting services, experience analysis and valuation assignments for at least two major retirement systems, with specific reference to involvement with large cost-sharing public retirement systems.
3. The principal actuary assigned to provide services to SCERS must have a minimum of five years professional actuarial experience, be an enrolled actuary, a Member of the American Academy of Actuaries, and a Fellow of the Society of Actuaries.
4. Provide evidence of sufficient controls and security of its system and data confidentiality and privacy (such as a SOC 2 Report). Ability to implement administrative, physical, and technical safeguards to protect Data and Confidential information that are no less rigorous than accepted industry practices Ability to ensure that all such safeguards, including the manner in which Data and Confidential Information is collected, accessed, used, stored, processed, disposed of and disclosed, comply with applicable laws.

## 5. Mandatory Requirements.

1. Provide a secure portal for transferring files with confidential information. At a minimum, Contractor's safeguards for the protection of Data and Confidential Information shall include: (i) limiting access of Data and Confidential Information to Authorized Persons; (ii) securing business facilities, data centers, paper files, servers, back-up systems and computing equipment, including, but not limited to, all mobile devices and other equipment with information storage capability; (iii) creating, distributing, and implementing written policies and procedures designed to protect Data and Confidential Information; (iv) ensuring that all Authorized Persons accessing City Data and Confidential Information sign an affidavit of nondisclosure, and maintain copies of signed affidavits; (v) training and education on best practices for security and privacy, explicitly including appropriate handling of Data and Confidential Information; (vi) implementing network, device application, database and platform security (including vulnerability management); (vii) securing information transmission, storage and disposal; (viii) implementing authentication and access controls within media, applications, operating systems and equipment; (ix) encrypting Data and Confidential Information stored on any mobile media; (x) encrypting sensitive Data and Confidential Information transmitted over public or wireless networks; (xi) strictly segregating the City's Data and Confidential Information from information of Contractor or its other customers so that the City's Data and Confidential Information is not commingled with any other types of information; (xii) implementing appropriate personnel security and integrity procedures and practices, including, but not limited to, conducting background checks consistent with applicable law.
2. The proposed team members are able and available to perform the services listed in the "Scope of Services" section.

## 6. Scope of Work.

SCERS seeks actuarial services for the valuation of the pension plan offered by SCERS. The contract is four years, with an option to extend for one additional year. The primary objectives for this actuarial evaluation include:

- Perform annual actuarial valuation services for SCERS beginning with the January 1, 2020 data reconciliation. Report must satisfy all Actuarial Standards of Practice promulgated by the Actuarial Standards Board and should reflect at least the following:
  - Management summary and certification;
  - Development of the unfunded actuarial accrued liability;
  - Detail on any roll-forward techniques used to develop valuation liabilities, normal costs, or other significant results;
  - Asset information, including detailed development of the actuarial value of assets;
  - Development of the total current contribution and contribution rate;
  - Analysis of actuarial gains and losses for the plan year by source;
  - Description of the actuarial cost method and actuarial assumptions;
  - Outline of plan provisions;
  - Summary of participant data.
- The consultant shall prepare 20 copies of the valuation report and the investigative experience study and present to the Board.

- Annually prepare GASB 67/68 Disclosure Report providing the information required for inclusion in SCERS's annual audited financial statements for each fiscal year.
- Annually prepare the ROPP COLA calculation.
- Provide electronic actuarial table updates for benefit calculations under the plan, including those federal and state governmental related tables necessary for system operations.
- Provide experience and mortality investigations on a four-year cycle to consider economic and non-economic experience, assess appropriateness of assumptions, and assess and recommend potential changes.
- Provide actuarial consulting services under a basic retainer for administration consultation, unusual benefit calculations, board meetings, auditor requests, and actuarial project cost estimates. Services will be billed on a time and material arrangement.
- 

## 7. Contract Modifications.

The City consultant contract is attached (See Attachments Section).

The City has attached its boilerplate contract terms so Proposers can be familiar with the boilerplate and the non-negotiable terms before submitting a proposal. Any questions about the City's boilerplate should be made in advance of submittal.

If a Consultant seeks to modify the Contract, the Consultant must request that within their Proposal response as taking an "Exception". The Consultant must provide a revised version that shows their proposed alternative contract language. The City is not obligated to accept such proposed changes. If you request Exceptions that materially change the character of the contract, the City may reject the Consultant's Proposal as non-responsive. The City cannot modify provisions mandated by Federal, State or City law: Equal Benefits, Audit (Review of Vendor Records), WMBE, Confidentiality, and Debarment, or mutual indemnification. Such Exceptions would be summarily disregarded.

Although the City may open discussions with the highest ranked apparent successful Proposer to align the proposal or contract to best meet City needs, this does not ensure negotiation of modifications proposed by the consultant through the exception process above.

## 8. Procedures and Requirements.

This section details City instructions and requirements for your submittal. The City reserves the right in its sole discretion to reject any Consultant response that fails to comply with the instructions.

### 8.1 Registration into the Online Business Directory

If you have not previously done so, register at: <http://www.seattle.gov/obd>. The City expects all firms to register. Women- and minority- owned firms are asked to self-identify (see section 7.25). For assistance, call Julie Salinas at 206-684-0383.

### 8.2 Pre-Submittal Conference

The City offers an optional pre-submittal conference at the time, date and location on page 1. Proposers are highly encouraged to attend but not required to attend to be eligible to propose. The meeting answers questions about the solicitation and clarify issues. This also allows Proposers to raise concerns. Failure



to raise concerns over any issues at this opportunity will be a consideration in any protest filed regarding such items known as of this pre-proposal conference.

### **8.3 Questions.**

Proposers may email questions to the Procurement Contact until the deadline stated on page 1. Failure to request clarification of any inadequacy, omission, or conflict will not relieve the Consultant of responsibilities under any subsequent contract. It is the responsibility of the interested Consultant to assure they receive responses to Questions if any are issued.

### **8.4 Changes to the RFP.**

The City may make changes to this RFP if, in the sole judgment of the City, the change will not compromise the City's objectives in this solicitation. Any change to this RFP will be made by formal written addendum issued by the City and shall become part of this RFP.

### **8.5 Receiving Addenda and/or Question and Answers.**

It is the obligation and responsibility of the Consultant to learn of addenda, responses, or notices issued by the City. Some third-party services independently post City of Seattle solicitations on their websites. The City does not guarantee that such services have accurately provided all the information published by the City.

All submittals sent to the City may be considered compliant with or without specific confirmation from the Consultant that any and all addenda was received and incorporated into your response. However, the Project Manager reserves the right to reject any submittal that does not fully incorporate Addenda that is critical to the project.

### **8.6 Proposal Submittal.**

- a. Proposals must be received by the City no later than the date and time on page 1 except as revised by Addenda.
- b. All pages are to be numbered sequentially, and closely follow the requested formats.
- c. There are no page limits specified for the responses to this RFP.
- d. The submitter has full responsibility to ensure the response arrives at the City within the deadline. A response delivered after the deadline may be rejected unless waived as immaterial by the City given specific fact-based circumstances.

### **8.7 Hard Copy Submittal.**

Delivery is to the location specified on Page 2, Table 2.

Submit one (1) original unbound, (3) bound copies, and one (1) electronic CD copy of the response or thumb drive. The City will not accept Fax and CD copies as originals in lieu of paper or electronic e-mail copy submittals. If a CD or fax version is delivered to the City, the paper or electronic e-mail copy will still be the only official version accepted by the City.

- a. Hard-copy responses should be in a sealed box or envelope, clearly marked and addressed with the City contact person's name, the solicitation title and number. If submittals are not clearly marked, the Proposer risks the response being misplaced and not properly delivered or date/time stamped.



- b. The Submittal may be hand-delivered or otherwise be received by the Procurement Contact at the address provided, by the submittal deadline. Delivery errors will result without careful attention to the proper address.
- c. Do not use plastic or vinyl binders or folders. The City encourages you to use fully 100% recycled stock.

### **8.8 Proposer Responsibility to Provide Full Response.**

It is the Proposer's responsibility to respond in a manner that does not require interpretation or clarification by the City. The Proposer is to provide all requested materials, forms and information. The Proposer is to ensure the materials submitted properly and accurately reflect the Proposer's offering. During scoring and evaluation (prior to interviews if any), the City will rely upon the submitted materials and shall not accept materials from the Proposer after the RFP deadline; this does not limit the City's right to consider additional information (such as references that are not provided by the Proposer but are known to the City, or past City experience with the consultant), or to seek clarifications as needed.

### **8.9 Prohibited Contacts.**

Proposers shall not interfere in any way to discourage other potential and/or prospective proposers from proposing or considering a proposal process. Prohibited contacts includes but is not limited to any contact, whether direct or indirect (i.e. in writing, by phone, email or other, and by the Proposer or another person acting on behalf of the Proposer) to a likely firm or individual that may discourage or limit competition. If such activity is evidenced to the satisfaction and in sole discretion of the City department, the Proposer that initiates such contacts may be rejected from the process.

### **8.10 License and Business Tax Requirements.**

The Consultant must meet all applicable licensing requirements immediately after contract award or the City may reject the Consultant. Companies must license, report and pay revenue taxes for the Washington State business License (UBI#) and Seattle Business License, if required by law. Carefully consider those costs before submitting an offer, as the City will not separately pay or reimburse such costs.

#### **Seattle Business Licensing and associated taxes.**

- a. If you have a "physical nexus" in the city, you must obtain a Seattle Business license and pay all taxes due before the Contract can be signed.
- b. A "physical nexus" means you have physical presence, such as: a building/facility/employee(s) in Seattle, you make sales trips into Seattle, your own company drives into Seattle for product deliveries, and/or you conduct service work in Seattle (repair, installation, service, maintenance work, on-site consulting, etc.).
- c. We provide a Consultant Questionnaire Form in our submittal package items later in this RFP/RFQ, and it will ask you to specify if you have "physical nexus".
- d. All costs for any licenses, permits and Seattle Business License taxes owed shall be borne by the Consultant and not charged separately to the City.
- e. The apparent successful Consultant(s) must immediately obtain the license and ensure all City taxes are current, unless exempted by City Code due to reasons such as no physical nexus. Failure to do so will cause rejection of the submittal.
- f. The City of Seattle Application for a Business License and additional licensing information can be found this page here: <http://www.seattle.gov/licenses/get-a-business-license>
- g. You can find Business License Application help here: <http://www.seattle.gov/licenses/get-a-business-license/license-application-help>
- h. Self-Filing You can pay your license and taxes on-line using a credit card [www.seattle.gov/self/](http://www.seattle.gov/self/)
- i. For Questions and Assistance, call the Revenue and Consumer Protection (RCP) office which issues business licenses and enforces licensing requirements. The general e-mail is [rca@seattle.gov](mailto:rca@seattle.gov). The main phone is 206-684-8484.
- j. The licensing website is <http://www.seattle.gov/licenses>

- k. If a business has extraordinary balances due on their account that would cause undue hardship to the business, the business can contact the License and Tax Administration office at [tax@seattle.gov](mailto:tax@seattle.gov) to request additional assistance.
- l. Those holding a City of Seattle Business license may be required to report and pay revenue taxes to the City. Such costs should be carefully considered by the Consultant prior to submitting your offer. When allowed by City ordinance, the City will have the right to retain amounts due at the conclusion of a contract by withholding from final invoice payments.

**8.11 State Business Licensing.** Before the contract is signed, you must have a State of Washington business license (a “Unified Business Identifier” known as a UBI#). If the State of Washington has exempted your business from State licensing (some foreign companies are exempt and sometimes, the State waives licensing because the company has no physical presence in the State), then submit proof of that exemption to the City. All costs for any licenses, permits and associated tax payments due to the State because of licensing shall be borne by the Consultant and not charged separately to the City. Instructions and applications are at <http://bls.dor.wa.gov/file.aspx> and the State of Washington Department of Revenue is available at 1-800-647-7706.

## **8.12 RESERVED.**

### **8.13 No Guaranteed Utilization.**

The City does not guarantee utilization of any contract(s) awarded through this RFP process. The solicitation may provide estimates of utilization; such information is for Consultant convenience and not a usage guarantee. The City reserves the right to issue multiple or partial awards, and/or to order work based on City needs. The City may turn to other appropriate contract sources or supplemental contracts to obtain these same or similar services. The City may re-solicit for new additions to the Consultant pool. Use of such supplemental contracts does not limit the right of the City to terminate existing contracts for convenience or cause.

### **8.14 Expansion Clause.**

The contract limits expansion of scope and new work not expressly provided for within the RFP.

Expansion for New Work (work not specified within the original Scope of Work Section of this Agreement, and/or not specified in the original RFP as intended work for the Agreement) must comply with the following:

(a) New Work is not reasonable to solicit separately; (b) is for reasonable purpose; (c) was not reasonably known by the City or Consultant at time of solicitation or was mentioned as a possibility in the solicitation (i.e. future phases of work, or a change in law); (d) is not significant enough to be regarded as an independent body of work; (e) would not attract a different field of competition; and (f) does not change the identity or purpose of the Agreement.

The City may make exceptions for immaterial changes, emergency or sole source conditions, or other situations required in City opinion. Certain changes are not subject to these limitations, such as additional phases of Work anticipated during solicitation, time extensions, and Work Orders issued on an On-Call contract. Expansion must be mutually agreed and issued by the City through written Addenda. New Work performed before an authorizing Amendment may not be eligible for payment.

The City reserves the right to independently solicit and award any New Work to another firm when deemed appropriate or required by City policy.

### **8.15 Effective Dates of Offer.**

Solicitation responses are valid until the City completes award. Should any Proposer object to this condition, the Proposer must object prior to the Q&A deadline on page 1.

### **8.16 Cost of Preparing Proposals.**

The City is not liable for costs incurred by the Proposer to prepare, submit and present proposals, interviews and/or demonstrations.

### **8.17 Readability.**

The City's ability to evaluate proposals is influenced by the organization, detail, comprehensive material and readable format of the response.

### **8.18 Changes or Corrections to Proposal Submittal.**

Prior to the submittal due date, a Consultant may change its proposal, if initialed and dated by the Consultant. No changes are allowed after the closing date and time.

### **8.19 Errors in Proposals.**

Proposers are responsible for errors and omissions in their proposals. No error or omission shall diminish the Proposer's obligations to the City.

### **8.20 Withdrawal of Proposal.**

A submittal may be withdrawn by written request of the submitter.

### **8.21 Rejection of Proposals.**

The City may reject any or all proposals with no penalty. The City may waive immaterial defects and minor irregularities in any submitted proposal.

### **8.22 Incorporation of RFP and Proposal in Contract.**

This RFP and Proposer's response, including promises, warranties, commitments, and representations made in the successful proposal once accepted by the City, are binding and incorporated by reference in the City's contract with the Proposer.

### **8.23 Independent Contractor.**

The Consultant works as an independent contractor. The City will provide appropriate contract management, but that does not constitute a supervisory relationship to the consultant. Consultant workers are prohibited from supervising City employees or from direct supervision by a City employee. Prohibited supervision tasks include conducting a City of Seattle Employee Performance Evaluation, preparing and/or approving a City of Seattle timesheet, administering employee discipline, and similar supervisory actions.

Contract workers shall not be given City office space unless expressly provided for below, and in no case shall such space be provided for over 36 months without specific authorization from the City.

The City will not provide space in City offices for performance of this work. Consultants will perform most work from their own office space or the field.

### **8.24 Equal Benefits.**

Seattle Municipal Code Chapter 20.45 (SMC 20.45) requires consideration of whether Proposers provide health and benefits that are the same or equivalent to the domestic partners of employees as to spouses of employees, and of their dependents and family members. The Consultant Questionnaire requested in the Submittal instructions includes materials to designate your equal benefits status.

### **8.25 Women and Minority Subcontracting.**

The Mayor's Executive Order and City ordinance require the maximum practicable opportunity for successful participation of minority and women-owned subcontracts. All proposers must agree to SMC Chapter 20.42, and seek meaningful subconsultant opportunities with WMBE firms. The City requires a plan for including minority- and women-owned firms, which becomes a material part of the contract. The Plan must be responsive in the opinion of the City, which means a meaningful and successful search and commitments to include WMBE firms for subcontracting work. The City reserves the right to improve the Plan with the winning Consultant before contract execution. Consultants should use selection methods and strategies sufficiently effective for successful WMBE participation. At City request, Consultants must furnish evidence such as copies of agreements with WMBE subconsultants either before contract execution or during contract performance. The winning Consultant must request written approval for changes to the Inclusion Plan once it is agreed upon. This includes changes to goals, subconsultant awards and efforts.

WMBE firms need not be state certified to meet the City's WMBE definition. The City defines WMBE firms as at least 51% (percent) owned by women and/or minority. To be recognized as a WMBE, register on the City's [Online Business Directory](#).

### **8.26 Insurance Requirements.**

Any special insurance requirements are provided as an Attachment. If attached, provide proof of insurance and additional insured endorsement policy language to the City before Contract execution. The apparent successful Proposer must promptly provide proof of insurance to the City upon receipt of the notice of intent to award.

Consultants are encouraged to immediately contact their Broker to begin preparation of the required insurance documents, if the Consultant is selected as a finalist. Proposers may elect to provide the requested insurance documents within their Proposal.

### **8.27 Proprietary Materials.**

*The State of Washington's Public Records Act (Release/Disclosure of Public Records) Under Washington State Law (reference RCW Chapter 42.56, the Public Records Act) all materials received or created by the City of Seattle are considered public records. These records include but are not limited to bid or proposal submittals, agreement documents, contract work product, or other bid material.*

The State of Washington's Public Records Act requires that public records must be promptly disclosed by the City upon request unless that RCW or another Washington State statute specifically exempts records from disclosure. Exemptions are narrow and explicit and are listed in Washington State Law (Reference RCW 42.56 and RCW 19.108).

Bidders/proposers must be familiar with the Washington State Public Records Act and the limits of record disclosure exemptions. For more information, visit the Washington State Legislature's website at <http://app.leg.wa.gov/rcw/default.aspx?cite=42.56>.

If you have any questions about disclosure of the records you submit with your bid, contact the Procurement Contact named in this document.

### **Marking Your Records Exempt from Disclosure (Protected, Confidential, or Proprietary)**

As mentioned above, all City of Seattle offices ("the City") are required to promptly make public records available upon request. However, under Washington State Law some records or portions of records are considered legally exempt from disclosure and can be withheld. A list and description of records identified as exempt by the Public Records Act can be found in RCW 42.56 and RCW 19.108.

If you believe any of the records you are submitting to the City as part of your bid/proposal or contract work products, are exempt from disclosure you can request that they not be released before you receive notification. To do so you must complete the City Non-Disclosure Request Form (“the Form”) provided by the City (see page 4 on the Consultant Questionnaire) and very clearly and specifically identify each record and the exemption(s) that may apply. (If you are awarded a City contract, the same exemption designation will carry forward to the contract records.)

The City will not withhold materials from disclosure simply because you mark them with a document header or footer, page stamp, or a generic statement that a document is non-disclosable, exempt, confidential, proprietary, or protected. Do not identify an entire page as exempt unless each sentence is within the exemption scope; instead, identify paragraphs or sentences that meet the specific exemption criteria you cite on the Form. Only the specific records or portions of records properly listed on the Form will be protected and withheld for notice. All other records will be considered fully disclosable upon request.

If the City receives a public disclosure request for any records you have properly and specifically listed on the Form, the City will notify you in writing of the request and will postpone disclosure. While it is not a legal obligation, the City, as a courtesy, will allow you up to ten business days to file a court injunction to prevent the City from releasing the records (reference RCW 42.56.540). If you fail to obtain a Court order within the ten days, the City may release the documents.

The City will not assert an exemption from disclosure on your behalf. If you believe a record(s) is exempt from disclosure you are obligated to clearly identify it as such on the Form and submit it with your solicitation. Should a public record request be submitted to City Purchasing for that record(s), you can then seek an injunction under RCW 42.56 to prevent release. By submitting a bid document, the bidder acknowledges this obligation; the proposer also acknowledges that the City will have no obligation or liability to the proposer if the records are disclosed.

### ***Requesting Disclosure of Public Records***

The City asks bidders and their companies to refrain from requesting public disclosure of bids until an intention to award is announced. This measure is intended to protect the integrity of the solicitation process particularly during the evaluation and selection process or in the event of a cancellation or re-solicitation. With this preference stated, the City will continue to be responsive to all requests for disclosure of public records as required by State Law. If you do wish to make a request for records, visit <https://www.seattle.gov/public-records/public-records-request-center>.

### **8.28 Ethics Code.**

Familiarize yourself with the City Ethics code: [http://www.seattle.gov/ethics/etpub/et\\_home.htm](http://www.seattle.gov/ethics/etpub/et_home.htm). For an in depth explanation of the City’s Ethics Code for Contractors, Vendors, Customers and Clients, visit: <http://www.seattle.gov/ethics/etpub/faqcontractorexplan.htm>. Any questions should be addressed to Seattle Ethics and Elections Commission at 206-684-8500.

### **No Gifts and Gratuities.**

Consultants shall not directly or indirectly offer anything (such as retainers, loans, entertainment, favors, gifts, tickets, trips, favors, bonuses, donations, special discounts, work, or meals) to any City employee, volunteer or official, if it is intended or may appear to a reasonable person to be intended to obtain or give special consideration to the Consultant. An example of this is giving sporting event tickets to a City employee who is also on the evaluation team of a solicitation to which you submitted or intend to submit. The definition of what a “benefit” would be is broad and could include not only awarding a contract but also the administration of the contract or evaluating contract performance. The rule works both ways, as it also prohibits City employees from soliciting items from Consultants.



### **Involvement of Current and Former City Employees.**

The Consultant Questionnaire within your submittal documents prompts you to disclose any current or former City employees, official or volunteer that is working or assisting on solicitation of City business or on completion of an awarded contract. Update that information during the contract.

### **Contract Workers with over 1,000 Hours.**

The Ethics Code applies to Consultant workers that perform over 1,000 cumulative hours on any City contract during any 12-month period. Any such employee must abide by the City Ethics Code. The Consultant is to be aware and familiar with the Ethics Code accordingly.

### **No Conflict of Interest.**

Consultant (including officer, director, trustee, partner or employee) must not have a business interest or a close family or domestic relationship with any City official, officer or employee who was, is, or will be involved in selection, negotiation, drafting, signing, administration or evaluating Consultant performance. The City shall make sole determination as to compliance.

### **Campaign Contributions (Initiative Measure No. 122)**

Elected officials and candidates are prohibited from accepting or soliciting campaign contributions from anyone having at least \$250,000 in contracts with the City in the last two years or who has paid at least \$5,000 in the last 12 months to lobby the City. See Initiative 122 or call the Ethics Director with questions. For questions about this measure, contact: Polly Grow, Seattle Ethics and Elections, 206-615-1248, or [polly.grow@seattle.gov](mailto:polly.grow@seattle.gov).

### **8.29 Background Checks and Immigrant Status.**

Background checks will not be required for workers that will be performing the work under this contract. The City has strict policies regarding the use of Background checks, criminal checks, immigrant status, and/or religious affiliation for contract workers. The policies are incorporated into the contract and available for viewing on-line at <http://www.seattle.gov/city-purchasing-and-contracting/social-equity/background-checks>.

### **8.30 Notification Requirements for Federal Immigration Enforcement Activities.**

Prior to responding to any requests from an employee or agent of any federal immigration agency including the Immigration and Customs Enforcement (ICE), the U.S. Department of Homeland Security (DHS), Homeland Security Investigations (HSI), Enforcement Removal Operations (ERO), Customs and Border Protection (CBP), and U.S. Citizenship and Information Services (USCIS) regarding your City contract, Consultants shall notify the Project Manager immediately.

Such requests include, but are not limited to:

- a. requests for access to non-public areas in City buildings and venues (i.e., areas not open to the public such as staff work areas that require card key access and other areas designated as “private” or “employee only”); or
- b. requests for data or information (written or oral) about workers engaged in the work of this contract or City employees.

No access or information shall be provided without prior review and consent of the City. The Consultant shall request the ICE authority to wait until the Project Manager is able to verify the credentials and authority of the ICE agent and will direct the Consultant on how to proceed.

## 9. Response Materials and Submittal.

Prepare your response as follows. Use the following format and provide all attachments. Failure to provide all information below on proper forms and in order requested, may cause the City to reject your response.

**1. Mandatory - Consultant Questionnaire:**

Submit the following in your response, even if you sent one in to the City for previous solicitations.  
<http://www.seattle.gov/Documents/Departments/FAS/PurchasingAndContracting/Consulting/fas-cpcs-consultant-questionnaire.docx>

**2. Letter of interest (optional).**

**3. Proof of Legal Business Name (if applicable):**

Provide a certificate or documentation from the Secretary of State in which you incorporated that shows your company legal name. Many companies use a “Doing Business As” name or nickname in daily business; the City requires the legal name for your company. When preparing all forms below, use the proper company legal name. Your company’s legal name can be verified through the State Corporation Commission in the state in which you were established, which is often located within the Secretary of State’s Office for each state. For the State of Washington, see <http://www.secstate.wa.gov/corps/>

**4. Mandatory – Minimum Qualifications:**

Provide a single page that lists each Minimum Qualification, and exactly how you achieve each minimum qualification. Remember that the determination you have achieved all the minimum qualifications is made from this page. The evaluation committee is not obligated to check references or search other materials to make this decision.

**5. Mandatory – Consultant Inclusion Plan:**

You must submit the following in your response.

Click on the following link to open the Consultant Inclusion Plan:

<http://www.seattle.gov/Documents/Departments/FAS/PurchasingAndContracting/WMBE/fas-cpcs-consultant-inclusion-plan.docx>

**6. Mandatory - Proposal Response:**

This document details the submittal requirements for your proposal response. Please see document at the end of this RFP.

**7. Mandatory – Cost and Pricing:**

State a firm fixed price, to include all direct, indirect, and overhead expenses, including travel and lodging expenses, incurred by the Consultant to perform the Work. Breakdown the cost by year and deliverables:

Deliverable	2020 Cost	2021 Cost	2022 Cost	2023 Cost
Actuarial Funding Valuation				
GASB 67/68 Disclosure Report				
ROPP COLA Calculation				
Investigative Experience Study	N/A	N/A		N/A
Other Services (hourly rate)				
<b>TOTAL</b>				



## Submittal Checklist.

Your response should be packaged with each of the following. This list assists with quality control before submittal of your final package. Addenda may change this list; check any final instructions:

1. Mandatory – Consultant Questionnaire.
2. Mandatory – Proof of Legal Business Name
3. Mandatory – Minimum Qualifications Sheet
4. Mandatory – Consultant Inclusion Plan
5. Mandatory – Proposal Response (see Proposal Response Section at the end of the document).
6. Mandatory – Cost and Pricing
7. Optional – Letter of Interest. Consultant may include a Letter of Interest no longer than a single 8.5" x 11"page. However, since this is optional, the City does not guarantee it will be read and it will not be counted in the page limits, evaluation or scoring.

## 10. Selection Process.

### 9.1 Initial Screening

The City will review responses for responsiveness and responsibility. Those found responsive and responsible based on an initial review shall proceed to Step 2. Equal Benefits, Minimum Qualifications, an Inclusion Plan, satisfactory financial responsibility and other elements are screened in this Step. A significant failure to perform on past City projects may also be considered in determining the responsibility of a firm.

### 9.2 Proposal Evaluation

The City will evaluate proposals using the criteria below. Responses will be evaluated, scored and ranked.

#### Evaluation Criteria:

Experience & Qualifications	40%
Proposed Delivery of Services	15%
Cost Proposal	30%
Inclusion Plan	10%
References	5%
	100%

### 9.3 Interviews

The City may interview top ranked firms from the proposal evaluation. If interviews are conducted, rankings of firms shall be determined by the City, using the combined results of interviews and proposal submittals. Consultants invited to interview are to bring the assigned key person(s) named by the Consultant in the Proposal and may bring other key personnel named in the Proposal. The Consultant shall not bring individuals who do not work for the Consultant or are not on the project team without advance authorization by the Procurement Contact. If interviews are conducted, they will be worth 40 additional points.

## 9.4 References

The City may contact one or more references. The City may use references named or not named by the Proposer. The City may also consider the results of performance evaluations issued by the City on past projects.

## 9.5 Selection

The City shall select the highest ranked Proposer(s) for award including written proposal and the interview (If applicable). The City reserves the right to make a final selection based on the combined results and/or the overall consensus of the Consultant Evaluation Committee.

## 9.6 Contract Negotiations

The City may negotiate elements of the proposal as required to best meet the needs of the City, with the apparent successful Proposer. The City may negotiate any aspect of the proposal or the solicitation. The City does not intend to negotiate the base contract (City's boilerplate language), which has been attached (See Attachments).

## 9.7 Right to Award to next ranked Consultant.

If a contract is executed resulting from this solicitation and is terminated within 90-days, the City may return to the solicitation process to award to the next highest ranked responsive Consultant by mutual agreement with such Consultant. New awards thereafter are also extended this right.

## 9.8 Repeat of Evaluation:

If no Consultant is selected at the conclusion of all the steps, the City may return to any step in the process to repeat the evaluation with those proposals active at that step. The City shall then sequentially step through all remaining steps as if conducting a new evaluation process. The City reserves the right to terminate the process if no proposals meet its requirements.

# 11. Award and Contract Execution.

The Procurement Contact will provide timely notice of an intent to award to all Consultants responding to the Solicitation.

## 10.1 Protests.

Interested parties that wish to protest any aspect of this RFP selection process shall provide written notice to the Procurement Contact. Note the City shall notify Federal Transit Administration if protesting a solicitation for contracts with FTA funds.

## 10.2 Protests – City Purchasing and Contracting Services.

The City has rules to govern the rights and obligations of interested parties that desire to submit a complaint or protest to this process. See the City website at <http://www.seattle.gov/city-purchasing-and-contracting/solicitation-and-selection-protest-protocols> . Interested parties have the obligation to know of and understand these rules, and to seek clarification from the City. Note there are time limits on protests, and submitters have final responsibility to learn of results in sufficient time for such protests to be filed in a timely manner.

## 10.3 Limited Debriefs.

The City issues results and award decisions to all bidders. The City provides debriefing on a limited basis for the purpose of allowing bidders to understand how they may improve in future bidding opportunities.

#### **10.4 Instructions to the Apparently Successful Consultant(s).**

The Apparently Successful Consultant(s) will receive an Intent to Award Letter from the Procurement Contact after award decisions are made by the City. The Letter will include instructions for final submittals due prior to execution of the contract.

Once the City has finalized and issued the contract for signature, the Consultant must execute the contract and provide all requested documents within ten (10) business days. This includes attaining a Seattle Business License, payment of associated taxes due, and providing proof of insurance. If the Consultant fails to execute the contract with all documents within the ten (10) day time frame, the City may cancel the award and proceed to the next ranked Consultant or cancel or reissue this solicitation. Cancellation of an award for failure to execute the Contract as attached may disqualify the firm from future solicitations for this same work.

#### **10.5 Checklist of Requirements Prior to Award.**

The Consultant(s) should anticipate the Letter will require at least the following. Consultants are encouraged to prepare these documents when possible, to eliminate risks of late compliance.

- Seattle Business License is current and all taxes due have been paid.
- State of Washington Business License.
- Evidence of Insurance (if required)
- Special Licenses (if any)

#### **10.6 Taxpayer Identification Number and W-9.**

Unless the Consultant has already submitted a Taxpayer Identification Number and Certification Request Form (W-9) to the City, the Consultant must execute and submit this form prior to the contract execution date.

<http://www.irs.gov/pub/irs-pdf/fw9.pdf>

#### **10.7 Insurance Requirements**

- No proof of insurance is required.
- Proof of insurance is required before contract is awarded.

#### **10.8 Standard Consultant Contract Template**

Found here:

<http://www.seattle.gov/Documents/Departments/FAS/PurchasingAndContracting/Consulting/fas-cpcs-consultant-standard-roster-consultant-agreement.docx>

## PROPOSAL RESPONSE

### Seattle City Employees' Retirement System Actuarial RFP

The information requested in this section cannot be marked proprietary except for sample work products. All questions must be answered.

#### Team Experience & Expertise

Please use the following tables to summarize team members' experience and qualifications. If you wish to provide additional information, please do so at the end of your submitted Questionnaire section.

- 2-A. Fill out the following table for each of at least 2 individuals in your local office (within King County, Washington) who are qualified and available to act as actuaries for SCERS. (Please keep each individual's description to one page.)

<b>Name</b>	
<b>Title</b>	
<b>Location</b>	(City)
<b>Professional designations</b>	
<b>Highest degree earned</b>	
<b>Account Management experience*</b>	(e.g., 5,000-employee city in Eastern WA, 2002-present; 900-employee law firm, 2000-2005)
<b>Additional experience in group benefits*</b>	(e.g., 10 years consulting, 1998-present; 8 years actuary, 1990-2998 )
<b>Description of public sector clients and years served*</b>	(e.g., 5,000-employee city in Eastern WA, 2002-present; 1500-member public association in California, 1998-2005)

\* must include dates

- 2-B. Fill out the following table for each of at least 2 individuals in your local office (within King County, Washington) who are qualified and available to act as primary team members, such as Technical consultant, Financial consultant. (Please keep each individual description to one page.)

<b>Name</b>	
<b>Title</b>	
<b>Location</b>	(City)

<b>Professional designations</b>	
<b>Highest degree earned</b>	
<b>Role on Team</b>	(briefly list/describe, using the skills required to perform the services listed in "Scope of Services")
<b>Experience in group benefits*</b>	(e.g., 10 years consulting, 1998-present; 8 years benefits manager, 1990-2998 )
<b>Description of public sector clients and years served*</b>	(e.g., 5,000-employee city in Eastern WA, 2002-present; 1500-member public association in California, 1998-2005)

\* must include dates

- 2-C. Fill out the following table for each of at least 2 individuals in the Pacific time zone who are qualified and available to act as secondary team members, such as Actuarial lead, Actuarial analyst, Communications consultant. (Please keep each individual description to one page.)

<b>Name</b>	
<b>Title</b>	
<b>Location</b>	(City, State)
<b>Professional designations</b>	
<b>Highest degree earned</b>	
<b>Role on Team</b>	(briefly list/describe, using the skills required to perform the services listed in "Scope of Services")
<b>Experience in group benefits*</b>	(e.g., 10 years consulting, 1998-present; 8 years benefits manager, 1990-1998 )
<b>Description of public sector clients and years served*</b>	(e.g., 5,000-employee city in Eastern WA, 2002-present; 1500-member public association in California, 1998-2005)
<b>Description of unionized/JLM clients and years served*</b>	(e.g., 2000-employee manufacturer with 75% union workforce; 2,000-employee predominantly unionized school district with JLM benefits committee in southeastern WA)

\* must include dates

## Local Office/Firm Experience & Experience

2-D. Provide the following basic information on your local office and the entire firm (if applicable), including number of employees, annual revenues, location(s), and special resources (e.g., software systems) that would be relevant to the City’s account.

	Local Office	Entire Firm (if applicable)
Location		(number of separate offices nationally)
Number of Employees (provide date of figure)		
General Services offered (relevant to this RFP)		
Annual Group Insurance premium volume		
Special Resources (internal issue-focused groups, practice specialties, task forces that would be relevant to this RFP)		
State of Washington UBI number		
City of Seattle Business License number		

2-E. Identify the local office’s top 10 clients by workforce size, including large self-insured firms and public or quasi-public pensions plans for which you provided actuarial consulting services. State the following information for each: the types of benefits/services provided and the primary liaison on such account who may be contacted for further information.

2-F. Provide a copy of your firm’s 2018 financial statement.

## Consulting services

### Financial Services:

2-G. Briefly describe your process and resources for developing company-specific trend for your clients

2-H. Briefly describe your process and resources for developing comparative trend information (e.g., on large employers, public employers, Western employers).

For questions 2-I through 2-L, please provide samples of the following reports/work products, along with any associated narrative. (Identifying information may be edited out.) If deemed proprietary, please indicate this on each page and submit the information bound separately.

2-I. Actuarial valuation

2-J. GASB 67/68 Disclosure Report

2-K. Experience and mortality investigation report

**Data Security:**

Briefly discuss

- The controls you have in place to secure sensitive data, both physically and electronically
- Have you experienced a data breach or incident where sensitive data was lost or stolen in the last five (5) years?

**General Service Quality:**

2-W. Briefly discuss how you will ensure that all work products are delivered on time and error-free. Describe your document tracking and peer review requirements.