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**Request for Proposal #RET-2024-01**

**PROJECT TITLE: Investment Consultant Services RFP for Seattle City Employees’ Retirement System**

**Procurement Schedule**

**Table 1 – Solicitation Schedule**

|  |  |
| --- | --- |
| **Events** | **Date** |
| RFP Issued  | January 17, 2024 |
| Pre-Proposal ConferenceVia WebEx Only – email nina.melencio@seattle.gov for WebEx information | January 24, 20241pm PST |
| Deadline for Questions | January 26, 2024 |
| Proposals Due to the City | February 23, 2024 |
|  Interviews, if conducted  | May 30, 2024 |
| Announcement of Successful Proposer(s) | June 13, 2024 |
| Contract Award and Start Date | June 30, 2024 |

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

***PROPOSALS MUST BE RECEIVED ON OR BEFORE THE DUE DATE AND TIME***

***AND MUST BE AT THE LOCATION STATED IN SECTION 6 OR AS AMENDED.***

By responding to this Request for Proposal (RFP), Proposer agrees that it has read and understands all documents within this RFP package.

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# PURPOSE AND BACKGROUND

## Purpose:

The purpose of this solicitation is to solicit offers from interested and qualified Vendors for a non-discretionary general investment consultant (“consultant”) to serve the Seattle City Employees’ Retirement System (SCERS). The consultant shall provide independent, unbiased, and proactive investment counsel and serve as a fiduciary to SCERS with respect to its services.

SCERS’s contract with its current consultant expires on June 30, 2024. This solicitation is to establish a new contract with an expected 5-year term.

## Background:

SCERS is a public defined benefit pension plan that covers most employees for the City of Seattle and certain employees of King County. The system has assets in excess of $3.8 billion as of September 30, 2023.

A seven-member Board of Administration governs SCERS. The chair of the Seattle City Council Finance Committee serves as Board Chair. The City finance director serves as the board treasurer and the human resources director serves as board secretary. Two active Seattle City Employees’ Retirement System members and one retired member are elected by the membership to serve three-year terms on the board. These six board members select a seventh, at-large member. The Board has established an Investment Committee, consisting of all seven members of the Board, to assist the Board with its investment and financial responsibilities. Additionally, the Board has established an Investment Advisory Committee of independent investment experts to advise the Investment Committee.

The Executive Director is responsible for managing the day-to-day operations of SCERS. SCERS has a four-person investment staff (“staff”) that is led by the Chief Investment Officer who reports to the Executive Director. The Board views the consultant as an independent extension of staff, and the optimal working relationship is a collaborative one with staff and the consultant working together to make recommendations regarding the construction and management of the system’s investment portfolio.

SCERS’s Investment Policy can be found at <https://www.seattle.gov/retirement/about-us/investments>. SCERS’s strategic asset allocation as of January 1, 2024, is as follows:

|  |  |  |
| --- | --- | --- |
| Major Asset Class | Asset Class | Target |
| Equity | Public Equity | 46% |
| Private Equity | 11% |
| Fixed Income | Core Fixed Income | 14% |
| Long-Term Fixed Income | 5% |
| Credit Fixed Income | 7% |
| Real Assets | Real Estate | 12% |
| Infrastructure | 5% |

## Single Award:

The City intends to award one contract and does not anticipate multiple awards. Regardless, the City reserves the right to make multiple or partial awards.

# SOLICITATION OBJECTIVES

The City expects the consultant to support the careful planning and executing of the investment program to achieve SCERS’s mission to fulfill the promise made to our members by delivering the retirement benefits they have earned.

# MINIMUM QUALIFICATIONS

The following are minimum qualifications that the Vendor must meet to submit a proposal. Proposals that are not clearly responsive to these minimum qualifications will be rejected by the City without further consideration:

• The firm must be a registered investment advisor with the Securities and Exchange Commission.

• The firm must have been in business for a minimum of five years.

• The firm must have at least three U.S. public defined benefit pension plan clients, each with assets in excess of $1 billion as of June 30, 2023.

• The primary consultant assigned to SCERS must have a minimum of five years of client-facing experience providing investment consulting services to public pension plan or other institutional clients.

• The firm must contractually agree to serve as a fiduciary with respect to its services.

# LICENSING AND BUSINESS TAX REQUIREMENTS

The Vendor must meet all licensing requirements that apply to their business immediately after contract award or the City may reject the Vendor before contract execution.

Companies must license, report and pay revenue taxes for the Washington State business License (UBI#) and Seattle Business License, if it is required to hold such a license by the laws of those jurisdictions. The Vendor should carefully consider those costs prior to submitting an offer, as the City will not separately pay or reimburse licensing costs.

## Seattle Business Licensing and associated taxes

1. 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.
2. A “physical nexus” means you have physical presence, such as: a building/facility located 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).
3. We provide a Vendor Questionnaire Form in our submittal package items later in this RFP, and it will ask you to specify if you have “physical nexus”.
4. All costs for any licenses, permits and Seattle Business License taxes owed shall be borne by the Vendor and not charged separately to the City.
5. The apparent successful Vendor 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 result in rejection of the bid/proposal.
6. Self-Filing You can pay your license and taxes on-line using a credit card [www.seattle.gov/self](http://www.seattle.gov/self).
7. For Questions and Assistance, call the License and Tax Administration office which issues business licenses and enforces licensing requirements. The general e-mail is tax@seattle.gov. The main phone is 206-684-8484.
8. The licensing website is [www.seattle.gov/licenses](http://www.seattle.gov/licenses).
9. The City of Seattle website allows you to apply and pay on-line with a Credit Card if you choose.
10. If a business has extraordinary balances due on their account that would cause undue hardship to the business, the business can contact our office to request additional assistance. A cover-sheet providing further explanation, along with the application and instructions for a Seattle Business License is provided below.
11. 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 Vendor 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.
12. A hard copy version of the Seattle Business license application can be found at <http://www.seattle.gov/Documents/Departments/FAS/Licensing/Seattle-business-license-application.pdf>

## State Business Licensing and associated taxes

Before the contract is signed, provide the State of Washington business license (a State “Unified Business Identifier” known as a UBI number#). If the State of Washington has exempted your business from State licensing (for example, some foreign companies are exempt and in some cases, the State waives licensing because the company does not have a 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 as a result of licensing shall be borne by the Vendor and not charged separately to the City. Instructions and applications are at <http://bls.dor.wa.gov/file.aspx>

## Permits:

All permits required to perform work must be supplied by the Vendor at no additional cost to the City.

# SPECIFICATIONS AND SCOPE OF WORK

## Scope of Work:

The specific responsibilities of the consultant include, but are not limited to:

1. Investment Policy Consultation
* Provide advice and support for the development and maintenance of investment policies, procedures, and guidelines.
1. Asset-Liability Modeling
* Conduct an asset-liability study every three to five years based on factors including, but not limited to: (1) historical and expected long-term capital market assumptions to assess the volatility, return and correlation behavior of asset classes; (2) a projection of actuarial assets and liabilities to determine the current and projected funding status; (3) a projection of future benefit payments and contributions to gauge the portfolio’s required liquidity; (4) an assessment of the liabilities to understand their relationship to the portfolio and the expected variability of funding status; and (5) an assessment of potential economic scenarios, including inflation and interest rate levels, and policy scenarios, including climate change, to evaluate the expected impact on fund performance. Note that the last asset-liability study was completed in 2023, so the next study is expected between 2026 and 2028.
* Evaluate and recommend, in collaboration with staff, permissible asset classes and alternative asset class mixes to be considered by the Investment Committee when setting the strategic asset allocation.
* Incorporate concepts and metrics from the liability-aware investing (LAI) framework that staff helped develop at the recommendation of the Investment Advisory Committee. LAI recognizes that plan assets and liabilities are fundamentally linked because current period returns are, in general, inversely related to changes in future expected returns. SCERS recognizes that the consultant may have to partner with staff to incorporate LAI in their existing asset-liability models.
1. Asset Class Structuring
* Evaluate and recommend, in collaboration with staff, suitable structures for each asset class along dimensions including, but not limited to, strategy (e.g. active, passive), style (e.g. value, growth), sub-asset class (e.g. buyout, venture capital), risk profile (e.g. core, non-core real estate), liquidity (e.g. open-end, drawdown fund), access vehicle (fund-of-funds, commingled fund, separately managed account), geography, and sector. Produce quarterly reports that breakdown each asset class by these dimensions.
* Develop pacing plans to guide SCERS’s commitments to private market asset classes.
1. Investment Manager Research
* Evaluate and recommend, in collaboration with staff, investment managers based on a robust due diligence process and sourced from a broad and qualified universe. The consultant may be asked to perform independent due diligence on managers that staff has sourced and participate in meetings and site visits alongside staff. While subject to change, SCERS maintains direct manager relationships in all asset classes except for Private Equity where it has delegated this responsibility to upon two fund-of-funds partners. SCERS does not currently utilize any specialty, asset class-specific consultants, which is also subject to change.
* Monitor each of SCERS’s existing investment managers for changes in ownership, team, strategy, portfolio, and performance, and communicate material changes to staff. As required, recommend that SCERS terminate an investment manager.
* Provide staff access to the consultant’s manager research team, analysis, and meeting notes to assist in its due diligence efforts.
* Review the appropriateness of an investment manager’s fees and negotiate preferential fee terms for SCERS where possible.
* Evaluate investment managers for their awareness and management of financially-material ESG factors in their organization, strategy, and portfolio as part of a holistic assessment of the manager.
* Support SCERS’s Diversity, Equity, and Inclusion (DEI) positive action strategy that requires investment managers to detail their workforce composition and describe their policies and practices to further DEI.
1. Performance Reporting
* Calculate and monitor monthly, quarterly, and annual performance using data provided by SCERS’s custodial bank and investment managers. Reconcile material differences to verify the results. Performance shall be calculated for the portfolio, asset classes and investment managers. Asset class performance shall incorporate the return contribution of the overlay program.
* Produce quarterly performance reports that are available no later than 45 days following each quarter-end. Performance reports should include comparisons to appropriate benchmarks and peer groups as well as attribution by allocation and selection effect.
* Produce a quarterly funded status monitor that displays the estimated actuarial funded status and market funded status. The market funded status incorporates an estimate of the market value of liabilities by rolling forward the latest actuarial valuation and then performing a revaluation based on the consultant’s capital market assumptions as of each quarter-end.
* Recommend appropriate benchmarks for the portfolio, asset classes and investment managers.
1. Education and Training
* Provide periodic educational and training sessions for the Investment Committee and staff on topics selected by SCERS.
1. Meeting Attendance
* Required attendance at monthly meetings of the Investment Committee to present on topics within the consultant’s scope of work. The consultant may currently attend Investment Committee meetings virtually, which is subject to change to in-person attendance at a later date.
* Required attendance at a minimum of one Board meeting per year to provide an overview of ESG matters and industry responses to guide future ESG policy and activities. The consultant may currently attend Board meetings virtually, which is subject to change to in-person attendance at a later date.
* Required in-person attendance at semi-annual staff planning meetings.
* Preferred virtual attendance at weekly staff meetings.
1. Investment Operations Consultation
* Support periodic projects led by staff related to topics such as the custodial bank relationship, securities lending, cash management and proxy voting.

## Contract Term:

This contract shall be for five (5) years, with a one-year extension allowed at the option of the City. The Vendor may provide a notice to not extend to the City at least 45 days prior to the renewal date.

## Trial Period and Right to Award to Next Low Vendor:

A ninety (90) day trial period shall apply to contract(s) awarded as a result of this solicitation. During the trial period, the vendor(s) must perform in accordance with all terms and conditions of the contract. Failure to perform during this trial period may cause the immediate cancellation of the contract. If dispute or discrepancy as to the acceptability of product or service occurs, the City’s decision shall prevail. The City agrees to pay only for authorized orders received up to the date of termination. If the contract is terminated within the trial period, the City reserves the option to award the contract to the next low responsive Vendor by mutual agreement with such Vendor. Any new award will be for the remainder of the contract and will also be subject to this trial period.

## 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>

## Independent Contractor:

The Vendor shall work as an independent contractor. Although the City provides responsible contract and project management, such as managing deliverables, schedules, tasks and contract compliance, this is distinguished from a traditional employer-employee function. This contract prohibits vendor workers from supervising City employees, and prohibits vendor workers from 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 Project Manager.

The City will not provide space in City offices for performance of this work. Vendors must perform work from their own office space or in the field, as appropriate to the work.

## Fair Labor Standards:

The City has mandatory requirements to ensure Fair Labor standards in the products that the City buys:

# INSTRUCTIONS AND INFORMATION

This chapter details City procedures for directing the RFP process. The City reserves the right in its sole discretion to reject the proposal of any Proposer that fails to comply with any procedure in this chapter.

## Registration into City Online Business Directory:

If you have not previously completed a one-time registration into the City of Seattle Online Business Directory, we request you register at [www.seattle.gov/obd](http://www.seattle.gov/obd). The City’s Online Business Directory is used by City staff to locate your contract(s) and identify companies for bid lists on future purchases. Responses will be not rejected for failure to register, however, if you win a contract and have not registered, you will be required to place yourself, or you will be added into the system. Women and minority owned firms are asked to self-identify. If you need assistance, please call 206-684-0444.

## Communications:

All Vendor communications concerning this acquisition must be directed only to the Buyer below. The RFP Coordinator is:

Buyer Name: Jason Malinowski, Chief Investment Officer

Buyer Phone: 206-684-8259

Buyer E-mail: jason.malinowski@seattle.gov

Unless authorized by the RFP Coordinator, no other City official or City employee is empowered to speak for the City regarding this acquisition. Any Proposer seeking to obtain information, clarification, or interpretations from any other City official or City employee (other than the RFP Coordinator) is advised that such material is used at the Proposer’s own risk. The City will not be bound by any such information, clarification, or interpretation.

Following the Proposal submittal deadline, Proposers shall continue to direct communications to only the City RFP Coordinator. The RFP Coordinator will send out information to responding companies as decisions are concluded.

Contact by a vendor regarding this acquisition with a City employee other than the RFP Coordinator or an individual approved by the RFP Coordinator in writing, may be grounds for rejection of the vendor’s proposal.

## Pre-Proposal Conference:

The City will conduct an optional pre-proposal conference on the time and date in page 1, via WebEx. Proposers are highly encouraged to attend but not required to attend to be eligible to submit a proposal. The meeting answers questions potential Proposers may have regarding the solicitation document and to discuss and clarify any issues. This is an opportunity for Proposers to raise concerns regarding specifications, terms, conditions, and any requirements of this solicitation. 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.

## Questions:

Submit questions to the Buyer by the deadline (see page 1). The City prefers such questions by e-mail to the City Buyer. Failure to request clarification of any inadequacy, omission, or conflict will not relieve Vendor of any responsibilities herein or in any subsequent contract. The Vendor is responsible to assure they received responses to the questions if issued.

## Changes to the Solicitation/Addenda:

A change may be made by the City if, in the sole judgment of the City, the change will not compromise the City’s objectives. A change will be made by formal written addendum issued by the City’s Buyer. Such Addenda shall become part of this solicitation and included in the Contract. Interested Vendors are responsible to assure they received Addenda.

## Receiving Addenda and/or Question and Answers:

The City Buyer will try to provide you notices, either through the RSS Feed or direction e-mail courtesy announcements, that changes or addendums have been posted on our website.

Notwithstanding efforts by the City to provide such notice to known vendors, it remains the obligation and responsibility of the Vendor to learn of any addendums, responses, or notices issued by the City. Such efforts by the City to provide notice or to provide it on the website do not relieve the Vendor from the sole obligation for learning of such material.

Note that some third-party services decide to independently post City of Seattle proposals on their websites as well. The City does not, however, guarantee that such services have accurately provided proposers with all the information published by the City, particularly Addendums or changes to bid date/time.

All proposals sent to the City shall be compliant to all Addendums, with or without specific confirmation from the Proposer that the Addendum was received and incorporated. However, the Buyer can reject the Bid if it does not reasonably appear to have incorporated the Addendum. The Buyer could decide that the Proposer did incorporate the Addendum information, or could determine that the Proposer failed to incorporate the Addendum changes and that the changes were material so the Buyer must reject the Offer, or the Buyer may determine that the Proposer failed to incorporate the Addendum changes but that the changes were not material and therefore the Bid may continue to be accepted by the Buyer.

## Submittal Requirements:

### COVID-19 Procedures:

Proposal submittal procedures have been changed in response to COVID-19 health and safety measures. Proposals shall be submitted using the electronic process provided for below or delivered by U.S. mail or courier services (hand-delivery is only allowed via courier service).

Number all pages sequentially. The format should follow closely that requested in this RFP.

The City may designate page limits for certain sections of the response. Any pages that exceed the page limit will be excised from the document for evaluation. The response should be in an 8 1/2” by 11” format. Non-recyclable materials are strongly discouraged. Proposers are encouraged to “double side”. If there are page limitations, one side of a printed page is considered one page.

The City will not accept Fax and CD copies as an alternative to the paper or electronic e-mail copy submittal. If a CD or fax version is delivered to the City, the paper or electronic e-mail copy will be the only official version accepted by the City. If a USB flash or thumb drive is requested for this submission, the submitter has full responsibility to ensure that any files on the USB flash or thumb drive match the official paper or electronic copy submitted.

## Late Submittals:

Proposers have full responsibility to ensure the response arrives at the City within the deadline. A late submittal may be rejected, unless the lateness is waived as immaterial by the SCERS Executive Director, given specific fact-based circumstances. Late responses may be returned unopened to the submitting firm; or CPCS may accept the package and make a determination as to lateness.

## Electronic Submittal:

The City allows and will accept an electronic submittal in lieu of an official paper submittal.

* + 1. To submit an electronic copy, proposers can e-mail their proposal documents on or before the proposal due date and time as shown on Table 1 - Procurement Schedule or as otherwise amended to: nina.melencio@seattle.gov

 **Note: Do not e-mail your proposal to any other e-mail address.**

* + 1. Title the e-mail with the RFP title, number and company name so that it will not be lost in an e-mail stream.
		2. Any risks associated with the electronic transmission of the bid submittal are borne by the Proposer.
		3. The City e-mail system will generally allow documents up to, but no larger than, 25 Megabytes.
		4. If the proposer also submits a paper-copy, the hard copy has precedence.

6. The City intends to send a confirming e-mail in reply. However, a proposer may also call Nina Melencio at (206) 233-5105 to confirm that their proposal has been received by the City.

## No RFP Opening – No Reading of Prices:

The City does not conduct a bid opening for RFP responses.

## Offer Form:

Proposer shall specify response in the format and on any forms provided, indicating unit prices if appropriate, and attaching additional pages if needed. In the case of difference between the unit pricing and the extended price, the City shall use the unit pricing. The City may correct the extended price accordingly. Proposer shall quote prices with freight prepaid and allowed. Proposer shall quote prices FOB Destination. All prices shall be in US Dollars.

## Proposer Responsibility to Provide Full Response:

It is the Proposer’s responsibility to respond, which does not require interpretation or clarification by the Buyer. The Proposer is to provide all requested materials, forms and information. The Proposer is responsible to ensure the materials submitted will properly and accurately reflects the Proposer specifications and 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; however this does not limit the right of the City to consider additional information (such as references that are not provided by the Proposer but are known to the City, or past experience by the City in assessing responsibility), or to seek clarifications by the City.

## Taxes:

The City is exempt from Federal Excise Tax. Washington state tax, use tax if any, and local sales tax will be added onto the resultant Contract cost, although will not be used in evaluation of costs.

## Contract Terms and Conditions:

Vendors are to price and submit proposals with the understanding that all specifications, requirements, terms and conditions are mandatory for the Vendor to comply with. Proposers are responsible to review all specifications, requirements, Terms and Conditions, insurance requirements, and other requirements. Submittal of a proposal is agreement to comply without exception, unless modified by the City. The City has the right to negotiate changes to submitted proposals and to change the City's otherwise mandatory terms and conditions during negotiations, or by providing notice to the Vendor during the contract.

## Negotiations:

Nothing herein prohibits the City from opening discussions with the highest ranked apparent successful Proposer, to negotiate modifications to either the proposal or the contract terms and conditions, to align the proposal or the contract to best meet City needs within the scope sought by the RFP.

## Effective Dates of Offer:

Offer prices and costs in Proposer submittal must remain valid until City completes award. Should any Proposer object to this condition, the Proposer must provide objection through a question and/or complaint to the Buyer prior to the proposal due date.

## Prompt Payment Discount:

On the Offer form or in submittal, the Proposer may state a prompt payment discount term, if the Proposer offers one to the City. A prompt payment discount term of ten or more days will be considered in evaluation.

## Cost of Preparing Proposals:

The City will not be liable for any costs incurred by the Proposer in the preparation and presentation of proposals submitted in response to this RFP including, but not limited to, costs incurred in connection with the Proposer’s participation in demonstrations and the pre-proposal conference.

## Proposer Responsibility:

It is the Proposer responsibility to examine all specifications and conditions thoroughly, and comply fully with specifications and all attached terms and conditions. Proposers must comply with all Federal, State, and City laws, ordinances and rules, and meet any and all registration requirements where required for contractors as set forth in the Washington Revised Statutes.

## 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 SCERS Executive Director, the Proposer that initiates such contacts may be rejected from the process.

## Readability:

Proposers are advised that the City’s ability to evaluate proposals is dependent in part on the Proposer’s ability and willingness to submit proposals which are well ordered, detailed, comprehensive, and readable. Clarity of language and adequate, accessible documentation is essential.

## Changes or Corrections in Proposal Submittal:

Prior to the submittal closing date and time, a Vendor may change its proposal, if the change is initialed and dated by the Vendor. No change shall be allowed after the closing date and time. Note you cannot change, mark-up or cross-out any condition, format, provision or term that appears on the City’s published Offer Form. If you need to change any of your own prices or answers that you write on the Offer Form, it must be made in pen, initialed, and be clear in intent. Do not use white-out.

## Errors in Proposals:

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

## Withdrawal of Proposal:

A submittal may be withdrawn by written request of the submitter, prior to the quotation closing date and time. After the closing date and time, the submittal may be withdrawn only with permission by the City.

## Rejection of Proposals and Rights of Award:

The City reserves the right to reject any or all proposals with no penalty. The City also has the right to waive immaterial defects and minor irregularities in any submitted proposal.

## Incorporation of RFP and Proposal in Contract:

This RFP and the Proposer’s response, including all promises, warranties, commitments, and representations made in the successful proposal as accepted by the City, shall be binding and incorporated by reference in the City’s contract with the Proposer.

## 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 bid package includes a “Vendor Questionnaire” which is the mandatory form on which you make a designation about the status of such benefits. If your company does not comply with Equal Benefits and does not intend to do so, you must still supply the information on the Vendor Questionnaire. Instructions are provided at the back of the Questionnaire.

## Women and Minority Opportunities:

The City intends to provide the maximum practicable opportunity for successful participation of minority and women owned firms, given that such businesses are underrepresented. The City requires all Proposers agree to SMC Chapter 20.42, and will require proposals with meaningful subcontracting opportunities to also supply a plan for including minority and women owned firms.

## Insurance Requirements:

Insurance requirements in Attachment #1 are **mandatory.**  If formal proof of insurance must be submitted to the City before execution of the Contract, the City will remind the apparent successful proposal in the Intent to Award letter. The apparent successful Proposer must promptly provide such proof of insurance to the City in reply to the Intent to Award Letter. Contracts will not be executed until all required proof of insurance has been received and approved by the City.

Vendors are encouraged to immediately contact their Broker to begin preparation of the required insurance documents, if the Vendor is selected as a finalist.

## 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://www1.leg.wa.gov/LawsAndAgencyRules>).

If you have any questions about disclosure of the records you submit with your bid, please contact Purchasing and Contracting at (206) 684-0444.

### 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 Purchasing and Contracting (see attached Form as part of the Vendor Questionnaire), very clearly and specifically identify each record and the exemption(s) that may apply, and submit a copy of your records with the specified exemptions redacted. (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 Purchasing and Contracting 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, please make your request through the City of Seattle’s Public Records Request Center at [www.seattle.gov/public-records/public-records-request-center](http://www.seattle.gov/public-records/public-records-request-center).

## Ethics Code:

Please familiarize yourself with the new code: <http://www.seattle.gov/ethics/etpub/et_home.htm>. Attached is a pamphlet for Vendors, Customers and Clients. Specific question should be addressed to the staff of the Seattle Ethics and Elections Commission at 206-684-8500.

### No Gifts and Gratuities:

Vendors shall not directly or indirectly offer anything of value (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 Vendor. An example is giving sporting event tickets to a City employee on the evaluation team of a bid you plan 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 the evaluation of contract performance. The rule works both ways, as it also prohibits City employees from soliciting items from vendors. Promotional items worth less than $25 may be distributed by the vendor to City employees if the Vendor uses the items as routine and standard promotions for the business.

### Involvement of Current and Former City Employees:

If a Vendor has any current or former City employees, official or volunteer, working or assisting on solicitation of City business or on completion of an awarded contract, you must provide written notice to Purchasing and Contracting of the current or former City official, employee or volunteer’s name. The Vendor Questionnaire within your bid documents prompts you to answer that question. You must continue to update that information to Purchasing and Contracting during the full course of the contract. The Vendor is aware and familiar with the Ethics Code, and educates vendor workers accordingly.

### ****Contract Workers with more than 1,000 Hours:****

**The Ethics Code has been amended to apply to vendor company workers that perform over 1,000 cumulative hours on any City contract during any 12-month period. Any such vendor company employee covered by the Ethics Code must abide by the City Ethics Code. The Vendor is to be aware and familiar with the Ethics Code, and educate vendor workers accordingly.**

### ****No Conflict of Interest:****

**Vendor (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 Vendor 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. Please 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****.**

# OFFER SHEET AND MANDATORY SUBMITTALS

Submit proposal with the following format and attachments. Failure to clearly and completely provide all information below, on forms provided and in order requested, may result in rejection as non-responsive.

## Cover letter (optional)

## Legal Name:

Submit a certificate, copy of web-page, or other documentation from the Secretary of State in which you incorporated that shows your legal name as a company. Many companies use a “Doing Business As” Name, or a Nickname in their daily business. However, the City requires the legal name of your company, as it is legally registered. 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. <http://www.coordinatedlegal.com/SecretaryOfState.html>

## Minimum Qualifications:

**This is a mandatory submittal.** Provide a document of sufficient length or on the form embedded below to indicate Vendor compliance to the Minimum Qualifications. Describe exactly how you achieve each minimum qualification. The determination you have achieved all the minimum qualifications is made from this or similar document alone and therefore the Buyer is not obligated to check references or search other materials in your proposal to make this decision.

****

## Vendor Questionnaire:

**This form is mandatory.** Submit this questionnaire, even if you have submitted one to the City on previous solicitations or contracts.



## ESG Questionnaire:

**This form is mandatory.**



## Contract Exceptions:

**This is a mandatory submittal.** Attachment #2 is the draft contract for investment consultant services. Submit any exceptions that you request by adding comments or tracking changes to the draft contract.

## Proposal Response & Questionnaire:

**This is a mandatory submittal.** Elements of this response will be scored or ranked by the Evaluation Committee.



## Submittal Checklist

This checklist is for your convenience only and does not need to be submitted with your proposal. This checklist summarizes each form or other information required to complete and submit your proposal package to the City.

|  |  |
| --- | --- |
| **Form** | **Type** |
| Cover Sheet |  |
| Legal Name |  |
| Minimum Qualifications Page | Mandatory  |
| Vendor Questionnaire | Mandatory |
| ESG Questionnaire  | Mandatory |
| Contract Exceptions | Mandatory |
| Proposal Response | Mandatory |

# EVALUATION PROCESS

## Step #1: Initial Screening: Minimum Qualifications and Responsiveness:

SCERS, through a review panel selected by its Executive Director, shall first review submittals to determine responsiveness and responsibility. Those found responsive and responsible based on this initial review shall proceed to Step 2. Minimum Qualifications for those specifications upon which the Proposer is submitting will be screened in this Step.

## Step #2: Proposal Evaluation:

SCERS will evaluate proposals using the criteria specified below. Responses will be evaluated and ranked or scored. The review panel will select the top-ranked proposals who will be deemed semi-finalists.

|  |  |
| --- | --- |
| **Evaluation Criteria:**  | **Weight (points)** |
| Organization | 40% |
| Consulting Services | 40% |
| Price | 20% |

## Step #3: Selection of Finalists

Select members of the review panel will visit the semi-finalists to conduct due diligence. SCERS may also contact one or more references, including those named or not named by the Proposer. The review panel will complete a subsequent evaluation to determine the finalists.

## Step #4: Interviews:

The SCERS Investment Committee will interview the finalists, as determined by the review panel. Finalists invited to interview are to bring the assigned primary consultant, and may bring other key personnel named in the Proposal. The Vendor shall not bring an individual who does not work for the Proposer or for the Proposer as a subcontractor on this project, without specific advance authorization by the SCERS Executive Director.

## Step #5: Selection:

The Investment Committee shall select and recommend to the Board the apparent successful Proposer.

## Step #6: Contract Negotiations:

SCERS may negotiate elements of the proposal as required to best meet the needs of the City, with the apparent successful Proposer. SCERS may negotiate any aspect of the proposal or the solicitation, although SCERS does not intend to materially depart from the RFP’s Scope of Work in any negotiations. SCERS does not intend to negotiate material provisions of the draft contract, which can be found in Section 7.

## Repeat of Evaluation Steps:

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

## Points of Clarification:

Throughout the evaluation process, SCERS reserves the right to seek clarifications from any Vendor.

## Substantially Equivalent Scores:

If the top two Vendors receive the substantially equivalent scores, the contract will be awarded to that Vendor who, in the opinion of SCERS, best meets the needs of SCERS.

# AWARD AND CONTRACT EXECUTION INSTRUCTIONS

The RFP Coordinator intends to provide written notice of the intention to award in a timely manner and to all Vendors responding to the Solicitation.

## Protests and Complaints:

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

## Limited Debriefs:

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

## Instructions to the Apparently Successful Vendor(s):

The Apparently Successful Vendor(s) will receive an Intent to Award Letter from the RFP Coordinator after award decisions are made by the City. The Letter will include instructions for final submittals that are due prior to execution of the contract or Purchase Order.

If the Vendor was allowed to request exceptions in the instructions and chose to do so, the City will review and select those the City is willing to accept. There will be no discussion on exceptions. Once the Contract is formulated, the City may identify proposal elements that require further discussion to align the proposal and contract fully with City business needs before finalizing the agreement. If so, the City will initiate the discussion and the Vendor is to be prepared to respond quickly in City discussions. The City has provided approximately 15 calendar days to finalize such discussions. If mutual agreement requires more than 15 calendar days, the City may terminate negotiations, reject the Proposer and may disqualify the Proposer from future submittals for these same products/services, and continue to the next highest ranked Proposal, at the sole discretion of the City. The City will send a final agreement package to the Vendor for signature.

Once the City has finalized and issued the contract for signature, the Vendor 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 Vendor 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 Vendor, or cancel or reissue this solicitation. Cancellation of an award for failure to execute the Contract as attached may cause Proposer disqualification for future solicitations for this product/service.

## Checklist of Final Submittals Prior to Award:

The Vendor(s) should anticipate that the Letter will require at least the following. Vendors are encouraged to prepare these documents as soon as possible, to eliminate risks of late compliance.

* Seattle Business License is current and all taxes due have been paid.
* State of Washington Business License.
* Certificate of Insurance (if a hard-copy is required by the specifications)
* Special Licenses (if any)

## Taxpayer Identification Number and W-9:

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

****

# ATTACHMENTS

For convenience, the following documents have been embedded in Icon form within this document. (Double click on Icon to open).

## Attachment #1: Insurance Requirements



## Attachment #2: Contract



## Attachment #3: SCERS Related Party List

