



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/15/2020

ALL

Item Creation Date: 7/28/2020

T29409 - Actuarial Consulting Services- ORDINANCE

Agenda Item#: 28.

Summary:

ORDINANCE approving and authorizing an agreement for professional services for pension actuarial consulting and advisory services between the City and **RETIREMENT HORIZONS INC.** - Three years with 2 one-year options - \$2,050,000.00 - General Fund

Background:

Request for Proposals received May 28, 2020 for S33-T29409 – Approve an ordinance awarding a professional services contract to Retirement Horizons, Inc. in the maximum contract amount not to exceed \$2,050,000.00 for actuarial consulting services for the Finance Department.

Specific Explanation:

The Chief Business Officer/Director of Finance and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **three-year professional services contract, with two one-year options to Retirement Horizons, Inc.** in the maximum contract amount not to exceed **\$2,050,000.00** for actuarial consulting services for the Finance Department. The Chief Procurement Officer/Director of Finance may terminate this contract at any time upon thirty (30) days written notice to the contractor.

The scope of work requires the contractor to provide actuarial consulting services in connection with the City's role as the plan sponsor of the retirement systems covering its employees.

The actuarial consultant will provide the following services, including, but not limited to:

- Annually recurring Risk Sharing Valuation Studies (RSVS) for the City's three pension systems;
- Actuarial review of any Experience Studies performed by the three pension systems;
- Actuarial consulting for the City's Legal Department associated with pension-related litigation matters;
- Annual updates to the confidentiality agreements with the three pension systems;
- Actuarial reports estimating the impact of proposed union agreements;
- Attendance at meetings and conferences requested by the City; and
- Consulting on GASB Standards relating to pension evaluation and reporting.

The Request for Proposals (RFP) was advertised in accordance with the requirements of the State of Texas bid laws. As a result, proposals were received from: Deloitte, Retirement Horizons, Inc., Segal, and The Benefit Practice. The evaluation committee consisted of members from the Finance Department, Legal Department, Human Resources Department and the Controller's Office. The proposals were evaluated based upon the following criteria:

1. Responsiveness
2. Technical Competence
3. Price Proposal

After a detailed evaluation, Retirement Horizons, Inc. offered the best overall value and is best qualified to perform the required services as outlined in the RFP.

M/WBE Subcontracting:

M/WBE Zero-Percentage Goal document approved by the Office of Business Opportunity.

Pay or Play Program:

The proposed contract requires compliance with the City's 'Pay or Play' ordinance regarding health benefits for employees of City contractors. In this case, the contractor will provide health benefits to eligible employees in compliance with City policy.


Hire Houston First:

This contract requires compliance with the City's Hire Houston First ordinance which promotes economic opportunity for Houston businesses and supports job creation. Retirement Horizons, Inc. is not a designated company, therefore the HHF preference was not applied to the award of the contract.

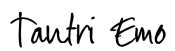
Fiscal Note:

Funding for this item is included in the FY 2021 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

9/10/2020

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Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

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Department Approval Authority

9/10/2020

DS


Estimated Spending Authority			
Fund Name	FY2021	Out-Years	Total
General Government	\$450,000.00	\$1,600,000.00	\$2,050,000.00

Amount of Funding:

\$2,050,000.00

General Fund
 Fund No.: 1000

Contact Information:

NAME:	DEPARTMENT/DIVISION	PHONE
Yesenia Chuca, Purchasing Manager	FIN/SPD	(832) 393-8727
Conley Jackson, Senior Procurement Specialist	FIN/SPD	(832) 393-8733
Melissa Dubowski, Deputy Director	FIN	(832) 393-9101

ATTACHMENTS:

Description	Type
Fair Campaign	Backup Material
Certification of Funds	Backup Material
MWBE	Backup Material
Affidavit of Ownership	Backup Material
Form B	Backup Material
Taxes	Backup Material
Draft contract	Backup Material
Ordinance	Ordinance/Resolution/Motion
Contract	Contract/Exhibit
Cover sheet	Signed Cover sheet