

CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 6/12/2018

ALL

Item Creation Date: 5/23/2018

H10475-A2 - Pension Actuarial Consulting Services - ORDINANCE

Agenda Item#: 51.

Summary:

Background:

S76-H10475-A2 - Approve a first amendment to Ordinance No. 2015-0721 for the Sole Source contract (4600013411) between the City of Houston and Retirement Horizons, Inc. to extend the contract term from June 30, 2018 to June 30, 2019 for pension actuarial consulting services for the Finance Department.

Specific Explanation:

The Finance Director and the Chief Procurement Officer recommend that City Council approve a first amendment to Ordinance No. 2015-0721 for the Sole Source contract between the City of Houston and Retirement Horizons, Inc. (RHI). This Amendment extends the contract term from June 30, 2018 to June 30, 2019 for pension actuarial consulting services for the Finance Department.

The contract was awarded on July 29, 2015 by Ordinance No. 2015-0721 for a two-year term with a one-year option to renew in an amount not to exceed \$1,000,000.00. It was amended by Ordinance No. 2017-329 on May 16, 2017 to increase the maximum contract amount from \$1,000,000.00 to \$1,450,000.00. As of May 24, 2018, expenditures total \$1,221,913.00. The current contract is in effect until June 30, 2018 and this one-year extension is necessary to develop a new contract for services.

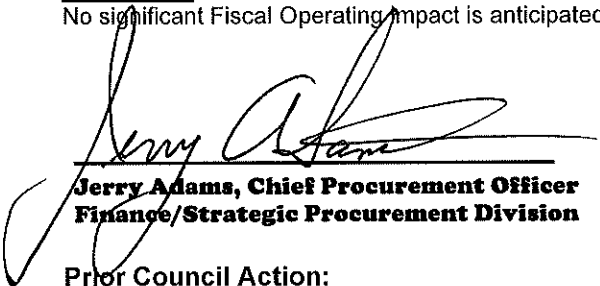
RHI has gained unique in-depth institutional knowledge of the pension challenges facing the City of Houston by performing independent actuarial audits, independent replication of actuarial valuations, analysis of alternative actuarial assumptions and methods. In addition, RHI continues the study of possible plan design alternatives, actuarial analysis and consulting support for pension negotiations. RHI has developed proprietary actuarial modeling system and gathered and input the employee data necessary to complete many of the overall tasks.

M/WBE Participation:

M/WBE zero-percentage goal document approved by the Office of Business Opportunity.

Fiscal Note:

No significant Fiscal Operating Impact is anticipated as a result of this project.


Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

Department Approval Authority

Prior Council Action:

Ordinance No. 2015-721 approved by City Council on July 29, 2015.
Ordinance No. 2017-329 approved by City Council on May 16, 2017.

Amount of Funding:

No additional funding required.

Contact Information:

NAME	DEPARTMENT/DIVISION	PHONE
Brenda Chagoya, Division Manager	FIN/SPD	(832) 393-8723
Bridget W. CormierSr. Procurement Specialist	FIN/SPD	(832) 393-8715
Melissa Dubowski, Assistant Director	FIN	(832) 393-9101

Strategic Procurement Division

5/31/2018

ATTACHMENTS:

Description

Ordinance No 2015-721

Ordinance No 2017-329

First Amendment

Type

Ordinance/Resolution/Motion

Ordinance/Resolution/Motion

Contract/Exhibit