

EXECUTIVE SUMMARY



To: Jim Scholl, City Manager

From: Sarah Hannah-Spurlock, Assistant City Manager

Meeting Date: December 2, 2015

Subject: Approving the Committee Ranking and Authorizing City Manager to Negotiate Contract for Pension Benefit Study Consultant

Action Item

Commission approval of the selection committee ranking for pension benefit study consultant and authorizing the City Manager or his designee to negotiate a contract for approval by the Commission at a future date.

Background

As part of the fiscal year 2015-2016 budget, Commission approved funding to hire a consultant to conduct a pension benefit study. The purpose of the study is to evaluate and review the City's two defined benefit pension plans and provide alternatives to the current retirement benefits, which will save the City money in the long-term in annual contributions to the plans, while maintaining labor market competitiveness.

Request for Proposal #01-016 (attached) was conducted and the City received four responses (attached):

Segal Consulting
Bolton Partners
Foster & Foster Actuaries and Consultants
Cavanaugh Macdonald Consulting, LLC

The proposals, attached, were evaluated by a City manager-appointed evaluation committee, which deliberated on November 10, 2015 in a public session. The members of the committee were Sarah Hannah-Spurlock, Assistant City Manager; Samantha Farist, HR Director; Karen Olson, Port Operations Deputy Director; and Virginia Panico, Chamber of Commerce Executive Director. The committee evaluated the responses based on the following criteria:

Quality and Experience of Personnel	20 points
Quality of Services	20 points
Technical Approach to the Project/Scope of Work	25 points
Fee	25 points
Other (quality of proposal, location of firm, timeline)	10 points

Foster & Foster was found to be responsive and received the highest ranking. A reference check resulted in positive reviews for the firm. A summary of the ranking and rating profile is provided as an attachment. Meeting minutes were recorded.

Financial Impact

The budget for this project is \$100,000 from account 001-1302-513-3100, Professional Services. Foster & Foster proposed a flat fee of \$75,000 for their services. The City also anticipates additional actuarial costs for the alternative plan designs recommended by the firm.

Staff Recommendation

Staff recommends Commission authorize the City Manager or his designee to negotiate a contract with the highest ranked proposer, Foster and Foster. In the event the City Manager or his designee is unsuccessful in negotiating a contract with the highest ranked proposer, authorizing the City Manager to negotiate with the second highest ranked proposer, Cavanaugh MacDonald Consulting. In the event the City Manager is unsuccessful negotiating a contract with the second highest ranked proposer, authorizing the City Manager to negotiate with the third highest ranked proposer, Bolton Partners. If the City Manager or his designee is unsuccessful in negotiating an acceptable contract with any of the three highest ranked proposers the City Manager or his designee will cease discussions with all proposers and report back to the City Commission.

Staff will bring a final contract back to the Commission for approval.