



REQUEST FOR PROPOSAL

Actuarial Services for a Proposed Defined Benefit Pension Plan

Deadline for Proposal Submittal:

September 7, 2012, 5:00 p.m. (Central Time)

Contact: Susan L. Welbes, Director of Human Resources
swelbes@thewoodlandstownship-tx.gov

(281) 210-3897

Mail or Deliver Complete Bid Package To:

The Woodlands Township

2801 Technology Forest Dr.

The Woodlands, Texas 77381

SOLICITATION SUMMARY

1. GENERAL DESCRIPTION

Overview of Actuarial Services Related to a proposed defined benefit pension plan to be established under the Texas Local Fire Fighters Retirement Act for eligible employees of The Woodlands Township. This RFP is for a one-time engagement for the implementation of a proposed pension plan.

2. SCHEDULE OF EVENTS

Please find below a Tentative Schedule of Events for this Solicitation. The Township reserves the right to revise the Tentative Schedule of Events if such revision is deemed to be in the best interest of the Township.

RFP Release Date: August 24, 2012
Deadline for Questions: September 4, 2012
Proposal Due Date: September 7, 2012
Township Approval Date: September 26, 2012
Notice to Proceed: September 27, 2012

3. APPLICABLE LAWS

This solicitation is being conducted in accordance with Texas Local Government Code Title 8, Subtitle A, Chapter 252 and/or Government Code 2254, as applicable.

4. RECEIPT OF REQUEST FOR PROPOSAL DOCUMENT

If you obtained this RFP document by notification through a newspaper advertisement or from our website, or you want to modify your contact information, please contact The Woodlands Township Contact person identified on the front cover. Please include your contact information and if you are interested as a prime or sub-consultant for this business opportunity.

TABLE OF CONTENTS

PROPOSAL INSTRUCTION AND REQUIREMENTS

1. *Definitions*
2. *Contact Information*
3. *Addenda and Clarifications*
4. *Proposal Preparation*
5. *Proposal Format Requirements*
6. *Submittal of Proposals*
7. *Proposal Receipt/Evaluation of Proposals*
8. *Proposal Award*
9. *Contract With The Township*
10. *Determination of Non-Responsible Proposer*
11. *Determination of Non-Responsive Proposal*
12. *Rejection of Proposals*
13. *Withdrawing Proposals*
14. *Proposal Preparation Forms*
 - a. *Proposal Submittal Letter*
 - b. *No Proposal Information*
 - c. *Bid/Proposal Checklist*

EVALUATION CRITERIA

SPECIFICATIONS/SCOPE OF WORK

1. *Introduction / General Overview*
2. *Specifications / Scope Of Work*
3. *Proposer Qualifications*

PROPOSAL INSTRUCTIONS AND REQUIREMENTS

A Proposal is requested by The Woodlands Township. The Township will receive separate sealed Proposals until the deadline for Proposal submittal. This Section provides information on how and where to submit a Proposal and other pertinent information regarding this Solicitation. Those who submit proposals are required to read and comply with these instructions.

1. DEFINITIONS

Contractor or **Successful Proposer** may be used throughout this Solicitation to mean that Proposer that is awarded a Contract as a result of this Solicitation.

2. CONTACT INFORMATION

It is the Proposer's responsibility to obtain clarification of any information contained herein. Proposers must submit all questions or requests for clarification ONLY in writing and ONLY to the contact person identified on the Cover of this Request for Proposal. Proposer contact with Township personnel other than designated Woodlands Township Solicitation Contact may be cause for Proposal rejection.

3. ADDENDA AND CLARIFICATIONS

- 3.1 The Township may, at its sole discretion, elect to issue changes or clarifications to the Proposal Solicitation. The Township will issue changes or clarifications in the form of a written addendum. Written addenda shall be the ONLY FORM of amendment to the Solicitation. Other written information or verbal communications shall not constitute a change to the requirements of the Solicitation. Addenda, if issued, will be mailed, faxed, and/or emailed to all known prospective Proposers and posted on the Township's website (www.thewoodlandstowship-tx.gov) prior to the date and time of the Deadline for Proposal Submittal.
- 3.2 It is the Proposer's responsibility to ensure receipt of any addenda issued. Failure of any Proposer to receive any such addendum or interpretation shall not relieve the Proposer from any obligations under its Proposal as submitted. The Proposer must sign all addenda and return them with their Proposal. All addenda shall become part of the Contract documents.
- 3.3 Clarification to the solicitation will be issued separately and will not become part of the final contract.

4. PROPOSAL PREPARATION

- 4.1 Submittals: Proposer must submit all Proposal Response Forms, plus all addenda, completed forms, and any requested information and documentation as part of its Proposal. Proposer's failure to include all submittals may be cause to consider a Proposal non-responsive.
- 4.2 Endorsing the Proposal: An authorized officer of the Proposing Firm must sign the Proposal. Signature of the Proposal will signify agreement and compliance with all requirements set forth in this Solicitation except where properly noted in the Proposal Response Forms. Proposers that take exception to the Township's General Terms and Conditions, Special Provisions, and/or Specifications shall do so at the risk of Proposal rejection.

- 4.3 Proposal Language / Currency: Proposers must submit their Proposal in the English language and Proposal pricing must be in Dollars of the United States of America.
- 4.4 Freight and Shipping: Proposal prices shall include the cost to ship all products and materials to The Woodlands Township office located at 2801 Technology Forest Blvd., The Woodlands, Texas 77381.
- 4.5 Tax Exempt Status: Purchases by The Woodlands Township are exempt from sales and use tax under Section 151.309 of the Texas Tax Code (the "Code"). In addition, Contractor purchases of tangible personal property and taxable services for the purpose of reselling them to the Township under this Contract may also be exempt from sales and use tax under Code Section 151.302. Where legally permitted, Contractor shall provide the vendor or supplier with a properly executed resale certificate at the time of purchasing tangible personal property and/or taxable services that are to be resold to the Township under this Contract.
- 4.6 Acceptance of Specification Requirements: The Township will presume that the product or service offered complies with each requirement of the specifications unless indicated otherwise. If the product or service offered is different than specified, Proposer must note the difference on an attached document that details the exception(s) to specifications. Failure of the Proposer to make the required acknowledgements may cause the Proposal to be considered non-responsive, in the sole determination of the Township. Should any product be delivered or service performed which is not as the Successful Proposer has purported it to be in its Proposal, said Successful Proposer will be required to correct any deficiencies without additional cost to the Township.
- 4.7 Proposer Requirements: The Proposer must have demonstrated experience in the successful completion of Scope of Work / Specifications of a similar nature and scope. The Successful Proposer must take prime contractor responsibility, including the management and performance of all subcontractors and products (goods) provided.
- 4.8 Alternate Proposals: Alternate Proposals will not be considered.
- 4.9 Proposer Costs: Any costs that may be incurred to prepare responses, attend meetings, attend site inspections, provide requested follow-up information, make formal and informal presentations, and/or contract negotiations, if applicable, shall be the sole responsibility of the Proposer.
- 4.10 Confidential or Proprietary Markings: Any portion of the Proposal that Proposer considers confidential or proprietary information, or to contain trade secrets of Proposing Firm, must be marked accordingly. This marking must be explicit as to the designated information. This designation may not necessarily guarantee the non-release of the information under the Public Information Act or as otherwise required by law, but does provide the Township with a means to review the issues thoroughly and, if justified, request an opinion by the Attorney General's office prior to releasing any information requested under the Public Information Act.

5. PROPOSAL FORMAT REQUIREMENTS

5.1 Overview

To facilitate and expedite the evaluation process, all information in the Proposal should be organized and presented as directed below. A Proposal may be deemed to be non-responsive and may be disqualified, at the Township's discretion, if the Proposal fails to comply with the following instructions.

5.2 Proposal Organization

- 5.2.1 Each copy of the Proposal shall be submitted in a 3-ring binder.

- 5.2.2 Proposal text shall be typed in font no smaller than 10 point, on 8.5-inch by 11-inch paper, with one inch margins. Proposals may be either single-sided or double-sided pages and single-spaced for the entire submitted proposal document.
- 5.2.3 All Proposal sections shall be divided by the use of numeric index tabs. All pages within these sections shall be uniquely numbered for purposes of easy reference.
- 5.2.4 Proposals shall be assembled in accordance with the following format.
- 5.2.4.1 **Cover Letter (1 Page Limit)**
Include an explicit statement indicating that the Proposer, if successful, will be the Prime Contractor for the Work.
- 5.2.4.2 **Table of Contents**
Include references to sections and page numbers.
- 5.2.4.3 **Disclosure Statements**
- 5.2.4.4.1 Proposer's disclosure and description of any outstanding legal issues and claims against it in connection with current Scope of Work / Specifications or other Scope of Work / Specifications undertaken in the last five (5) years.
- 5.2.4.4.2 The past fiscal year's audited financial statement of Proposer and most recent affirmative statement of financial capability.
- 5.2.4.4.3 Proposers shall include in their response a statement affirming that no member of the Township, no official or employee of the Township, and no member of any commission, committee, Township or corporation controlled or appointed by the Township has already received, in connection with or related in any way to this contract, or has been promised, in the event this contract is awarded to the firm, any commission, finder's fee or other thing of value. In addition, the firm shall furnish a statement that identifies any member of the Township and any official or employee of the Township who, the firm has reason to believe, would or may be financially affected, whether affirmatively or negatively, and whether personally or through a spouse or other family member, if this contract were awarded to the firm. Upon request by the Township or any authorized agent thereof, the firm shall respond to any questions relating to the subject of this section.
- 5.2.4.4 **Addenda**
The acknowledgement page(s) of all addenda issued by the Township shall be signed by the Proposer's authorized representative and submitted in this section.
- 5.2.4.5 **Tab 1 – Brief Executive Overview (2 Page Limit)**
- 5.2.4.5.1 Introduction of the Proposer's company including history, location, qualifications, experience, main line of business, how business is organized (corporation, partnership, public, private, etc.), notable achievements, etc.
- 5.2.4.5.2 Overall summary regarding plans to meet Township requirements.

- 5.2.4.5.3 Identify proposed subcontractors, if any, by listing name, address, telephone and contact person. For each listed proposed subcontractor, include a brief history, qualifications, experience, main line of business, how business is organized (corporation, partnership, public, private, etc.), notable achievements, etc. Proposer shall state whether it has worked with the listed proposed subcontractor in the past, addressing contractual relationship, frequency and scope of work completed.
- 5.2.4.6 **Tab 2 – Statement of Work (10 Page Limit)**
- 5.2.4.6.1 Identify company’s service approach for all major tasks for the Work to be performed. Describe how it will successfully complete the Scope of Work tasks.
- 5.2.4.6.2 If appropriate, identify all major service tasks to be performed by subcontractors; group all tasks by the associated subcontractor.
- 5.2.4.6.3 Describe how the Proposer plans to successfully accomplish the Scope of Work / Specifications objectives.
- 5.2.4.6.4 List all human resources contributing to the Scope of Work / Specifications and their respective major area of responsibility in this project as well as the percentage of time to be spent on this project. Include the resumes (biographical information) at the end of this section for all proposed personnel. Resumes are limited to one page per person and they not count against this tabbed section’s page limit.
- 5.2.4.6.5 Describe all staff requirements, resources, and information required by the Proposer.
- 5.2.4.6.6 Provide a proposed project organizational chart, identifying reporting structure and areas of responsibility.
- 5.2.4.7 **Tab 3 – Management (10 Page Limit)**
- 5.2.4.7.1 Identify inherent Scope of Work / Specifications challenges and the overall plan for meeting management challenges and requirements.
- 5.2.4.7.2 Describe how the Proposer plans to manage this Scope of Work / Specifications and identify the individual who will function as the project manager, including name, home base and brief overview of their qualifications. Include, at the end of this section, the proposed project manager’s resume.
- 5.2.4.7.3 Provide a plan ensuring quality of the Work (quality control plan). Provide performance guarantees, if any, and how they would apply and be measurable.
- 5.2.4.8 **Tab 4 – List of Exceptions/Substitutions/Clarifications/Additions**
- 5.2.4.8.1 Although the Scope of Work included Project Requirements of the solicitation represents the Township’s anticipated needs, there may be instances in which it is in the Township’s best interest to permit exceptions to requirements and accept proposed alternatives.

- 5.2.4.8.2 It is extremely important for the Proposer to make clear where exceptions, clarifications, substitutions and/or additions to the Scope of Work, Special Provisions and General Terms and Conditions are taken and how substitutions shall be provided. The Township does not recognize strikeouts, deletions, or changes to Solicitation documents. Therefore, exceptions, conditions, clarifications and/or substitutions to the provisions of the Township’s requirements must be clearly identified along with the proposed addition or modification. If the Proposer does not make it clear that an addition, exception or clarification is taken, the Township shall assume the Proposer is responding to and shall meet the Township’s stated requirements.
- 5.2.4.8.3 Identify each exception, clarification, substitution and/or addition by specifically referencing the page number, section number, subsection number, item number or letter, and, if necessary, paragraph, or line number.
- 5.2.4.8.4 Identify each item clearly as an addition, exception, clarification or substitution. It is not necessary to include the entire text of a particular section or subsection. However, for ease of reference, Proposers may use portions of the solicitation’s text, if helpful in explanation.
- 5.2.4.8.5 For substitutions/clarifications, provide an explanation of the difference between what the solicitation requests and what is proposed. The Township is open to other means of accomplishing the requested Work. Proposers must explain why they believe their method of accomplishing the Work is equal to or better than that specified by the Township.
- 5.2.4.8.6 For any addition(s) proposed or exception(s) taken, provide a rationale in as much detail as possible.
- 5.2.4.8.7 Begin responses to the major sections of the solicitation on a new page.
- 5.2.4.8.8 The Township shall consider the number and substance of alterations to the Township’s stated requirements as a factor in determining the most advantageous response.
- 5.2.4.9 **Tab 5 – Reference List/Experience (Limit one page per reference)**
- 5.2.4.9.1 FOR THE PRIME CONTRACTOR – Provide a list of five (5) different and most recent entities for which Work has been completed. The reference list must include public entities for which Work of similar scope and complexity has been completed by the Proposer.

Include the following information:

- Company/Entity Name
- Address
- Contact Names (IT, project leader, and functional contacts)
- Phone Number
- Facsimile Number
- Email Addresses (if known)
- Brief description of work performed and how it is relevant to the Scope of Work in this solicitation. Also list any prime or sub consultant team members who worked on the reference project that are also proposed for this solicitation’s Scope of Work.

- 5.2.4.9.2 List all clients that have in the past two (2) years, terminated their contract prior to the contract’s original completion date, including decisions by the client not to exercise remaining contract option years. For any contracts listed, give the reason for termination (if known) and the names and telephone numbers of the client official responsible for administering the contract.
- 5.2.4.9.3 FOR EACH SUBCONTRACTOR (if any) – Provide a list of at least two (2) different and most recent companies for which Work has been completed by the Proposed Subcontractor. The reference list should include first public entities for which Work of similar size and complexity has been completed by Proposed Subcontractor.
Include the following information:
- Company Name
 - Address
 - Contact Names (IT, project leader, and functional contacts)
 - Phone Number
 - Facsimile Number
 - Email Addresses (if known)
 - Brief description of work performed and how it is relevant to the Scope of Work in this solicitation. Also list any prime or sub consultant team members who worked on the reference project that are also proposed for this solicitation’s Scope of Work.
- 5.2.4.10 **Envelope - Pricing**
Provide one copy of the proposed pricing in a sealed envelope entitled “Pricing”. Proposal pricing shall be assembled and presented in accordance with the format and instructions of this solicitation.

SUBMITTAL OF PROPOSALS

- 5.3 **The Township will accept Proposals no later than the Deadline for Proposal Submittal in hard copy form. The Township will not consider late proposals. All Proposals submitted in response to this RFP shall become the property of the Township and will not be returned to the Proposer.**
- 5.4 Hard Copy Proposals must be signed, sealed in an opaque envelope or container, and delivered to the Township’s Offices. Unsigned, unsealed or late Proposals will not be considered. The Proposer must submit **one original and six (6) exact copies** of each proposal. The Proposal submittal must be clearly marked with the Proposal Name, Proposal Due Date and Time and addressed to the attention of the Human Resources Department.
- 5.5 Proposer must provide all information requested in accordance with the instructions in the Proposal Format Requirements Section of this Solicitation.
- 5.6 All Proposers must organize their response in accordance with the instructions in the Proposal Format Requirements Section of this Solicitation.

- 5.7 The Solicitation is structured to elicit substantive responses to each question or statement of requirement. Responses such as “Comply” or “Acknowledge” with no explanation are strongly discouraged. Use of such terms will be taken to mean the Proposer agrees to fully comply with the section in the way intended by the Township.
- 5.8 Proposal Bond: If a Proposal Bond is required, details will be included in the Special Provisions of this Solicitation. Proposer will be required to submit the original copy of any Proposal Bond required with the Hard Copy Proposal or otherwise deliver it to the Human Resources Office prior to the Deadline for Proposal Submittal. This requirement applies if the Proposal is submitted electronically. Proposal Bonds must be delivered in a sealed envelope bearing the Deadline for Proposal Submittal Date and Time.

6. PROPOSAL RECEIPT / EVALUATION OF PROPOSALS

- 6.1 Responses to this Solicitation (Proposals) become the exclusive property of the Township. Proposals will be opened by the Township so as to avoid disclosure of contents to competing Proposers and kept secret during the process of negotiation. **Proposals will not be publicly read.** After Contract award, all proposals submitted become a matter of public record and, upon request, shall be open for public inspection, with the exception of those portions of each proposal that are defined by the Proposer as business or trade secrets and are clearly marked as “Trade Secret,” “Confidential” or “Proprietary.”
- 6.2 After Proposals are opened, they will be evaluated on the basis given in the specifications/Scope of Work and as described in the “Evaluation Criteria” Section of this RFP. Until final award of a contract, the Township reserves the right to reject any or all Proposals, to waive technicalities, or to proceed with a Contract for the services otherwise as deemed in the Township’s best interest.
- 6.3 The Township reserves the right to require additional information from any or all Proposers and to conduct necessary investigations to determine (a) if the product and/or service offered meets the Township’s requirements, (b) the quality and reliability of the Proposer’s performance, and/or (c) to determine the accuracy of the Proposal information. As part of said investigations, the Township may interview and/or visit companies or public entities listed as references.
- 6.4 The Township reserves the right to select any/all options that is/are determined to be in its best interests and at the sole discretion of the Township.

7. PROPOSAL AWARD

- 7.1 If a Contract is awarded as a result of this Solicitation, it will be made by the Township to the Proposer whose Proposal is determined to be the most advantageous to the Township, taking into consideration the relative importance of price and other evaluation factors, as identified in the Evaluation Criteria Section of this Solicitation.
- 7.2 Proposals shall remain valid for ninety (90) days after the Deadline for Proposal Submittal.
- 7.3 The Township reserves the right to make multiple awards if deemed in its best interest to do so.

8. CONTRACT WITH THE TOWNSHIP

- 8.1 The Township and the Contractor agree to perform this Contract in strict accordance with the documents listed below, all of which are made a part of this contract, in the order of precedence listed. Subject to the order of precedence set forth below, the documents listed constitute the entire Contract between the parties.
- Negotiated Modifications, if applicable
 - Addenda, if applicable
 - Solicitation Specifications / Scope of Work
 - General Terms and Conditions
 - Contractor's Bid / Proposal
- 8.2 Proposer is required to review all the terms, conditions and contract provisions contained in this Solicitation to ensure it can comply with and concurs with all requirements.
- 8.3 Proposer is required to review any insurance requirements that may be required to ensure it has adequate insurance or it will obtain the required insurance if awarded a Contract. Proof of insurance must be submitted before a Contract can be executed and insurance coverage must remain in effect during the term of the Contract.
- 8.4 Proposer is required to review the payment terms and is advised that, unless other terms are requested and accepted, payment shall be made in accordance with the Texas Prompt Payment Act, including the provision that payment be made within 30 days after receipt of a valid invoice or receipt of products / services in accordance with the specification, whichever is later.
- 8.5 Limited Notice to Proceed Procedure. The Township reserves the right to issue a Limited Notice to Proceed (LNTP) prior to contract execution for the purpose of the contract awardee to begin the specified work. The purpose of the LNTP is to engage the work to meet Township deadlines. The contract awardee shall proceed with work as directed under the LNTP. While work may proceed under the LNTP, payments shall not be made until the contract is executed.

9. REJECTION OF PROPOSALS

- 9.1 The Township will automatically reject any Proposal that is submitted after the Deadline for Proposal Submittal and return it unopened.
- 9.2 Until a Contract is executed, the Township reserves the right to reject any or all Proposals, to waive technicalities, to re-advertise, to decline to proceed or to otherwise proceed with procurement of goods and services herein defined by other method(s) allowed by law and in the best interests of the Township.

10. WITHDRAWING PROPOSALS

- 10.1 Proposer, by submitting a proposal, warrants and guarantees that the proposal has been carefully reviewed and checked and that it is in all things true, accurate and free of mistakes. However, Proposers have a common law right to withdraw a proposal due to material mistake in the proposal.
- 10.2 Proposer must submit a request to withdraw a proposal in writing to the Director of Human Resources. The written request to withdraw a proposal must state the reason for withdrawal request and, if the request is made after deadline for proposal submittal, the details of the material mistake must be included in the request. A proposal for which withdrawal is properly requested prior to deadline for submittal will be returned to the Proposer unopened.
- 10.3 IF THE BIDDER ELECTS TO WITHDRAW ITS PROPOSAL AND WITHDRAWAL IS ACCEPTED BY THE DIRECTOR OF HUMAN RESOURCES OR DESIGNEE, THEN THE PROPOSAL WILL BECOME NULL AND VOID. THE PROPOSAL WILL NOT BE ELIGIBLE TO BE REINSTATED.

END OF PROPOSAL INSTRUCTIONS AND REQUIREMENTS

EVALUATION CRITERIA

1. The evaluation criteria or elements listed below will be used to determine which proposal response is most advantageous to the Township. Said determination will be made in the Township's best interest, and shall therefore be considered final. Responses reviewed to this solicitation will be evaluated based on the criteria and corresponding weight given in each evaluation category listed herein. The response to the requirements of the solicitation and Scope of Work as well as the proposed prices will be used in the Township's evaluation. The Township's evaluation team may consider feedback from references and/or the Township's direct experience with a proposing firm or a proposed subconsultant as part of their evaluation process and consideration for scoring proposals. The Township's evaluation team reserves the right to shortlist firms based upon scores/ratings received during the evaluation process.
2. Discussions may be conducted with finalist firms as determined by the evaluation team. Proposers shall be treated fairly and equally with respect to any opportunity for discussions and revisions of Proposals. In-as-much as the Township may not request the best and final offers, Proposers are strongly urged to provide competitive pricing since revision may not be permitted after submission and before the award of the Contract.
3. The evaluation criteria are listed below in the order of their relative importance:
 - 3.1 Technical/Compliance with the Scope of Work (40 Points). This category will be evaluated based on:
 - Overall understanding of the Township's requirements provided in the Scope of Work/Services
 - Compliance with and overall approach to Statement of Work tasks
 - Detailed approach to meeting task requirements
 - Background and experience of proposed Contractor and team member personnel, including proposed subcontractor personnel; rationale for selection of team members and their assigned roles
 - Plans for performing other general consulting tasks
 - 3.2 Management (35 Points). This category will be evaluated based on:
 - Experience of the individual selected, a primary manager of the contracted work; rationale for his/her selection
 - Plans for managing the project, including subcontractors, and plans for meeting work project reporting requirements
 - Quality control plan and methodology to ensure compliance with, and achievement of, scope of work/services tasks
 - References from other clients
 - 3.3 Price (25 Points). The Price will be evaluated based on the proposed cost of performing work as provided in the pricing proposal of each proposing firm. Township may consider historical project tasks and staff hour allocations for cost/price evaluation.

END OF EVALUATION CRITERIA

SPECIFICATIONS / SCOPE OF WORK

1. INTRODUCTION / GENERAL OVERVIEW

Overview of Actuarial Services Related to a proposed defined benefit pension plan to be established under the Texas Local Firefighters' Retirement Act.

The Woodlands Township firefighters made a presentation to The Woodlands Township Board of Directors on June 27, 2012 regarding their application to the Texas Firefighters' Pension Commission for a defined benefit pension plan as provided in Texas Civil Statutes, 6423 (3). The firefighters made Township staff aware in May 2012 that an election had been held by firefighter employees that approved the adoption of a TLFRA Retirement System. This election also established a contribution rate, contribution deduction authorization and elected three pension board members. The Pension Commissioner, Sherri Walker, confirmed the vote on May 18, 2012 and qualified The Woodlands Fire Fighters' Relief & Retirement Fund as a recognized pension plan under the Texas Local Fire Fighters' Retirement Act.

The fire fighters approved a contribution rate equal to a 1 to 1 match with the employee contribution and Township match amount of 12% each.

Prior to sharing the pension proposal with The Township Board and management staff, representatives of the fire fighters' association worked with an actuarial firm to develop proposed pension materials that were shared with eligible employees. Some of the contribution amounts included in the original actuarial assumptions appeared to exceed the contribution amounts outlined above. In order to provide Township fire fighters with accurate data prior to the new Pension Directors developing and finalizing the pension plan documents with the Pension Commissioner, the Township desires to conduct an actuarial analysis for this start-up pension plan using assumptions and conditions developed by the Actuary after review with The Woodlands Township Board of Directors and management staff. This analysis will be shared with all Township fire fighter employees eligible for the pension plan.

2. SPECIFICATIONS / SCOPE OF WORK

2.1 The Actuary will provide the following services:

- 2.1.1 Prepare an actuarial valuation in accordance with generally accepted actuarial principles and practices and TLFRA guidelines:
 - 2.1.1.1 Determine an anticipated Benefit for eligible participants using the following scenarios:
 - Age 50 with 20 years of Service
 - Age 52 with 20 years of Service
 - Age 52 with 5 years of Service
 - 2.1.1.2 Use the Pension Review Board guidelines to amortize the pension's unfunded liability over periods of 20 years, 25 years, and 30 years.
 - 2.1.1.3 Determine the amount of initial assets needed for 24% of Pay Cost.
 - 2.1.1.4 Determine the annual required contribution (ARC) as required by GASB 25.
 - 2.1.1.5 Determine the annual pension cost (APC) equal to the GASB 25 annual required contribution (ARC), net of employee contributions. This APC should not cause The Township to recognize a net pension obligation (NPO) on its balance sheet.
 - 2.1.1.6 Determine Disability benefit levels for employees with at least 10 years of service.

- 2.1.1.7 Determine Death Benefit levels for Married and Single employees.
- 2.1.1.8 Determine potential buyback scenarios for sample employees based on TLFRA guidelines.
- 2.1.2 Use professional judgment in the selection of demographic and other non-economic actuarial assumptions considering possible choices. Consider the specific characteristics of the particular benefit provisions and covered group of the proposed plan being valued.
- 2.1.3 Prepare actuarial tables for computations.
- 2.1.4 Provide a recommended funding level for budget purposes that coincides with the calendar year.
- 2.1.5 Compute estimated benefits payable for individuals who retire, or terminating employees who are vested in the Plan, and/or for the beneficiaries of deceased eligible employees. The Woodlands Township currently employs 141 fire fighters and an additional 16 employees who may also be eligible for the proposed pension plan.

Age Group	# of Employees
21 - 29	29
30 - 39	74
40 - 49	36
50 - 59	11
60+	7
Years of Service	# of Employees
0 - 10	107
11 - 20	36
21 - 30	11
30+	3

- 2.1.6 Provide consulting services related to employee benefits and actuarial assumptions, and make appropriate recommendations and, if needed presentations to staff.
- 2.1.7 Provide required information related to actuarial valuations, funding requirements and other support as detailed above, if applicable, as it relates to other post-employment benefits (GASB 43, 45, exposure draft 57, and other related pronouncements, both current and future) for the retirement plans.

2.2 Other General Consulting Services

- 2.2.1 Advise the Township of legislative actions affecting the Township’s retirement plans, answer plan related questions, and make appropriate recommendations regarding same in a timely manner.
- 2.2.2 Provide consulting services relating to benefits and actuarial assumptions, answer related questions, make appropriate recommendations, and, if requested, make presentations to Township staff.

3. PROPOSER QUALIFICATIONS

- 3.1 Have previous experience providing actuarial services for defined benefit plans created under TLFRA.
- 3.2 Be experienced in providing actuarial services for organizations meeting the requirements of a “Governmental Plan” under Section 414(d) of the Internal Revenue Code.
- 3.3 Be a member of the American Academy of Actuaries and a Fellow of the Society of Actuaries.

PROPOSAL ENDORSEMENT FORM

The undersigned, in submitting this Proposal and endorsement of same, represents that he/she is authorized to obligate his/her firm, and that he/she has read this entire Solicitation package, is aware of the covenants contained herein and will abide by the adhere to the expressed requirements.

THE PROPOSER AGREES THAT THIS PROPOSAL, WHEN ACCEPTED BY THE TOWNSHIP, SHALL CONSTITUTE A CONTRACT EQUALLY BINDING BETWEEN THE PROPOSER AND THE TOWNSHIP.

Acceptance may take the form of an Acceptance Letter of Purchase Order issued by the Township, or a Contract document issued by the Township and executed by both parties, followed by a Notice to Proceed issued by the Township. Each of these forms constitutes a legal contract equally binding between the Successful Proposer and the Township. After Proposal acceptance, no different or additional terms shall become part of the Contract without a properly executed change order.

PROPOSAL FOR ACTUARIAL SERVICES FOR A PROPOSED DEFINED BENEFIT PENSION PLAN

SUBMITTED BY:

(OFFICIAL NAME OF PROPOSING FIRM)

By: _____
(Original Signature of Proposing Firm's Authorized Agent)

***MUST BE SIGNED FOR PROPOSAL
TO BE CONSIDERED RESPONSIVE***

(Typed or Printed Name)

(Title)

(Email or Telephone Number)

(Date Signed)