

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 7/10/2019

Staff Report No. 18-252a

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Contract Award for Actuarial Services

ACTION ITEM

RECOMMENDED ACTION(S):

Consider approving the award of a five (5) year contract to Buck Global, LLC. for actuarial services.

BUDGETARY/FISCAL IMPACT:

The total cost for actuarial consulting services for the five (5) year period of the contract is \$537,535, which was deemed fair and reasonable during the procurement review process. Further, it is lower than the last five-year actuarial services contract by \$94,000.

BACKGROUND/RATIONALE:

Board Policy 360 requires that the District provide for an independent actuarial evaluation of the pension plan every 2 years, an experience study every 3 to 4 years, as well as an actuarial audit once every 5 years. The District is also required to annually obtain actuarial studies of Workers Compensation, Sick Leave, General Liability and Automotive as well as Trust and Non-Trust Other Post-Employment Benefits (OPEB) plans.

The District's existing contract for actuarial services expires on July 15, 2019. Actuarial services for Workers Compensation, Sick Leave, General Liability and Automotive (Public Liability Property Damage), the OPEB Trust, and OPEB Non-Trust commence immediately as of July 15, 2019 to meet the requirements of the Fiscal Audit timeline.

The Request For Proposals (RFP 2019-1463) for a new actuarial contract was released on April 17, 2019 and closed on May 24, 2019. Despite sending the RFP out to 51 actuarial firms, the District received two proposals. The technical analysis was performed by the RFP evaluation committee with the price analysis/evaluation being completed independently by the Procurement Department using the following factors.

Technical:	Weight
a. Understanding of the Project	20
b. Samples of Recent Actuarial Valuations	10

c. Past Performance/Relevant Experience	25
d. References	<u>10</u>
e. Cost	35
Total	100

Weighted Scores:

Buck Global LLP	1,201
DFA	1,035

Buck Global provided all information requested in the RFP in a comprehensive, complete, and professional manner; proposed a highly credentialed and qualified staff; strong references; transit clients; has a clear picture of what needs to be done and how this work needs to be approached.

Buck Global, LLP's total weighted technical score represents 83 percent of the maximum points available.

Based upon these evaluations, the proposal by Buck Global, LLC. was deemed responsive and responsible to the RFP, qualified to perform the work, and is now being recommended for contract award.

ADVANTAGES/DISADVANTAGES:

The advantage of awarding this contract to Buck Global, LLC is that they are a well-established and widely respected firm that has significant experience in the public sector, and strong capacity/capabilities in all aspects of the District's actuarial needs. Given the field, they are the clear choice which also provides the least risk to the District.

No disadvantages have been identified.

ALTERNATIVES ANALYSIS:

No viable alternatives have been identified.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report, 18-252 - Consider authorizing the release of a Request For Proposals (RFP) for a five-year actuarial Services Contract <javascript:void(0);>
Board Policy 465 - Procurement Policy

ATTACHMENTS:

None

Approved by:

Claudia L. Allen, Chief Financial Officer

Reviewed by:

Denise C. Standridge, General Counsel
Claudia L. Allen, Chief Financial Officer
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