

Date: August 15, 2019

To: Andrew Allison, Chief Administrative Officer

From: David Ferguson, Purchasing Manager, Purchasing Services

Report#: PS-019-19 **File#:** RFP2019-9

Subject: Actuarial Services

Summer Recess Procedure (Purchasing By-Law 2015-022 S.73)


Recommendations

It is respectfully recommended to the Chief Administrative Officer the following:

1. That the proposal received from Morneau Shepell Ltd., being the most responsive bidder meeting all terms, conditions and specifications of RFP2019-9 be awarded the contract for the Actuarial Services for the Finance Department and the Human Resources Division of the Corporate Services Department ;
2. That pending satisfactory performance and pricing, that the Purchasing Manager be given the authority to extend the contract for this service for an additional three year term; and
3. That the funding required in the amount of \$35,107.00 (Net HST Rebate) over the three year contract be drawn from the following account:

Description	Account Number	Year 1	Year 2	Year 3
UNCLAS Admin Professional Fees	100-21-211-00000-7161	\$19,843	\$7,632	\$7,632

Recommended by:



David Ferguson,
Manager, Purchasing Services

August 16, 2019
Date

Concurrence:

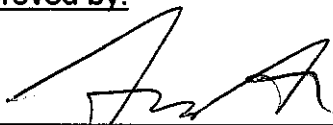

Marie Marano
Director of Corporate Services

August 16, 2019
Date


Trevor Pinn, B.Com, CPA, CA
Director of Finance/Treasurer

Aug 16, 2019
Date

Approved by:


Andrew Allison,
Chief Administrative Officer

Aug. 16 / 19
Date

DF\ta

cc:

Background

1. The proposal specifications for the Actuarial Services was prepared by the Finance Department, the Human Resources Division of the Corporate Services Department and provided to the Purchasing Services Division.
2. The purpose of this Request for Proposal is to select a qualified Consultant with the skills, resources and experience necessary to provide Actuarial Services relating to a quantification of future liability of the Municipality's post-employment, retirement benefits, Council Severance package, Fire Fighters' and others Sick Leave Credit, in accordance with Section 3250 and 3255 of the Chartered Professional Accountants Canada Public Sector Accounting Handbook and in accordance with the standards and requirements of the Canadian Institute of Actuaries.
3. The Consulting Services for Actuarial Services includes a valuation of associated liabilities for the Municipality as well as its Library and Museum Boards. A full review is required for the year ending December 31, 2019, with updates provided for the fiscal years 2020 and 2021.
4. The Municipality provides early retiree benefits to qualifying employees who retire between the ages of 55-65 (50 to 65 for fire fighters) in accordance with prevailing municipal policy and/or collective agreement. In addition, at time of retirement qualifying employees receive a retirement benefit, pro-rated based on years of full time service, in accordance with prevailing municipal policy. The Municipality also provides a sick leave accumulation plan that permits payout on death, termination or retirement to qualifying Fire Union employees. The CUPE Inside and Outside and the Non-Affiliated groups have a non-accumulation sick plan with a few employees grandfathered with banked days for payout upon retirement.
5. A Request for Proposal RFP2019-9 was issued by the Purchasing Services Division and advertised electronically on the Municipality's website. Notification of the availability of the document was also posted on the Ontario Public Buyer's Association website.
6. Eight (8) companies downloaded the document.
7. The proposal closed on July 4, 2019.
8. In view of the Summer Council Recess, authorization is requested to award the above contract in accordance with Purchasing By-Law #2015-022 Part 2, Section 73, Council Recess Procedures.

Analysis

9. Four (4) proposals were received in response to the proposal call (see Attachment 1). All submissions complied with the mandatory requirements and was distributed to the evaluation team for their review and scoring.
10. Four (4) companies who downloaded the RFP documents but chose not to submit a proposal or pricing, did not respond to our request for information.

11. The Technical Proposals were first evaluated and scored independently by the members of the evaluation team in accordance with the established criteria as outlined in the RFP. The evaluation team was comprised of staff from the Finance Department, the Human Resources Division of the Corporate Services Department, and the Purchasing Services Division.
12. The evaluation team then met to review and agree upon the overall scores for each proposal. Some of the areas on which submissions were evaluated were as follows:
 - Highlights of services provided within the past five (5) years.
 - Allocated roles and responsibilities of team members; timeline for scope of project and coverage.
 - Demonstrated understanding of the Municipality's requirements, the project and related issues.
 - Demonstrated ability to carry out all aspects of the project.
13. Upon completion of the evaluation, the evaluation team concluded that one submission met the pre-determined threshold of 85% for Phase 1 and moved on to the second phase of the process.
14. The Pricing Envelope was opened for the proponent.
15. Staff reviewed the pricing submitted by Morneau Shepell Ltd., and found it to be acceptable.
16. Morneau Shepell Ltd. has provided services to the Municipality of Clarington for a number of years and the level of service has been satisfactory.

Financial

17. That the funding required in the amount of \$35,107.00 (Net HST Rebate) be drawn from the following accounts:

Description	Account Number	Year 1	Year 2	Year 3
UNCLAS Admin Professional Fees	100-21-211-00000-7161	\$19,843	\$7,632	\$7,632

18. Queries with respect to the department needs, specifications, etc. should be referred to the Director of Finance/Treasurer.

Conclusion

19. It is respectfully recommended that Morneau Shepell Ltd., with the most responsive bid in the amount of \$35,107.00 (Net HST Rebate) be awarded the contract for the Actuarial Services as per the terms, conditions and specifications of Proposal RFP2019-9.

Attachment #1

Municipality of Clarington

RFP2019-9

Actuarial Services

Bid Summary

Bidder
Morneau Shepell Ltd. *
Robertson, Eadie & Associates
Nexus Actuarial Consultants
Canadian Benefits Associates Inc.

Note * denotes proponents who met the minimum threshold and moved on to the final phase of the process.