

03/16/2020 IMPORTANT NOTICE:

The Town has changed the deadlines for the RFP for Retirement Plan advisors to the following:

Pre-Proposal Question Deadline:	April 27, 2020
Proposal Submission Deadline:	May 4, 2020
Interviews with Selected Proposers:	May 11, 2020
Approval of Town Council:	May 26, 2020 or June 9, 2020

These dates are subject to further change. The Town is working diligently as its first priority to assist in the current COVID-19 situation. I have received a few questions needing clarification to post as a part of the RFP. These answers will be posted no later than APRIL 6, 2020. Thank you for your patience. Feel free to call 970-279-4396 for additional information.



**REQUEST FOR PROPOSAL
FINANCIAL ADVISOR
BASALT, COLORADO**

Date of Issue: March 5, 2020
Proposal Closing Date and Time: March 26, 2020, 2:00 p.m. by Town Clock
*Proposal to be **PHYSICALLY RECEIVED** by the Town as below **PRIOR TO Proposal Closing Date and Time** above.*

RETURN TO:

**Town of Basalt
Christine Hamrick, Finance Director
101 Midland Avenue
Basalt, Colorado, 81621
christy.hamrick@basalt.net**

INTRODUCTION

There is no expressed or implied obligation for the Town of Basalt to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

THIS REQUEST FOR PROPOSAL (“RFP”) IS NOT A COMPETITIVE BID BASED ON PRICE ONLY. The request for proposal allows the Town of Basalt, Colorado (the “Town”) to select the service provider that best meets the needs of the Town, taking into consideration proposer qualifications, price, products, and service capabilities and other factors relevant to the Town’s policies, programs, administrative resources, and budget.

This RFP is to solicit a financial advisor for the Town’s 401(a) and 457(b) employee retirement plans to work with Town employees and assist in the administration of the employee retirement plan. The Town would prefer a financial advisor with a local presence on the western slope of Colorado, when all other variables are comparable.

This RFP has been published at the Town's website at www.basalt.net. Any modifications to this RFP or addenda pertaining to this RFP will be published to the Town website, and all proposers are responsible to periodically check the Town website for relevant updates prior to the submittal of a proposal.

PROPOSER'S CERTIFICATION

Note: return this page with your proposal.

The undersigned, as an authorized agent of the proposer, hereby certifies:

- the receipt of _____ addendums;
- familiarization with all instructions, terms and conditions, and specifications stated in this RFP;
- the proposer is qualified to perform the work and services outlined in this RFP;
- that the proposal is valid until _____ (date).
- has clearly marked and segregated any information that proposer requests be held as confidential, proprietary or trade secret information not subject to disclosure by the Town under the Colorado Open Records Act (Section 12 of INSTRUCTIONS TO PROPOSERS).

_____ Company Name	_____ Authorized Signature
_____ Mailing Address	_____ Printed Name
_____ City, State, Zip Code	_____ Title
_____ Federal Employee ID Number (FEIN)	_____ Phone Number
_____ Type of Entity (sole proprietorship, LLC, partnership, LLP, corporation, etc.)	_____ Email Address
_____ Website (if applicable)	

REQUEST FOR PROPOSAL

A. General Information

The Town of Basalt, Colorado is requesting sealed proposals from qualified service providers for financial advisory/consultant services for our 401(a) and 457(b) retirement plans. After a financial advisor is selected, then we will work with the Town's new financial advisor to choose a retirement plan administrator, with the help of our RFP provider AssuredPartners Colorado.

Proposals are to be addressed and delivered to the Finance Director of the Town of Basalt, in accordance with the Instructions to Proposers and all other requirements as referenced in this RFP. Proposals will be received until the Proposal Closing Date and Time set forth on the cover page of this RFP, at which time a representative of the Town will publicly announce the names of those firms or individuals submitting proposals. No other public disclosure will be made if and until award of contract.

The Town will use the following tentative schedule for the selection process:

- Issue requests for proposals: March 5, 2020
- Pre-Proposal Questions deadline : March 19, 2020 at 2:00 p.m.
- Proposal submission deadline: March 26, 2020 at 2:00 p.m.
- Interviews with selected proposers Week of April 6th
- Approval of Town Council May 12, 2020

The Town reserves the right to modify this timeline at any time. Should the proposal submission deadline change, all prospective proposers will be notified.

Any inquiries or requests concerning clarification or solicitation for additional information shall be submitted by 2:00 p.m. on March 19 to the Town's Finance Director, Christine Hamrick, 970-279-4396, or at christy.hamrick@basalt.net.

INSTRUCTIONS TO PROPOSERS

1. Proposers responding to this RFP must submit their proposals in the format specified in this solicitation.
2. Two (2) copies and one (1) electronic copy on USB thumb drive of the proposal are to be submitted on or prior to the Closing Date and Time referenced below, to:

Town of Basalt
Christine Hamrick, Finance Director
101 Midland Avenue
Basalt, CO 81621

3. Proposals must be submitted in a sealed package or envelope listing the following information on the outside:
 - RFP Title: Town of Basalt 401(a) 457(b) & Retirement Plans
 - RFP Closing Date and Time: March 26, 2020, 2:00 p.m.
 - The Proposer's name and address
4. Proposals must be sent by mail or hand delivered, allowing sufficient delivery time to ensure physical receipt in the Finance Director's office by the Closing Date and Time deadline specified. The validation of the time and date received will occur in the Finance Director's office. Any proposer may withdraw his / her / its proposal at any time prior to the RFP Closing Date and Time.
5. Proposals must be dated and signed by a duly authorized partner or corporate officer, with that person's name and title clearly identified. All of the proposal terms, conditions, contents, fees and charges shall be guaranteed by the proposer for a minimum of ninety (90) days from the date of submission of the proposal to the Town.
6. The content of all proposals must conform to the following:
 - Proposers must respond to the questions in the order presented in this RFP.
 - Proposers may provide additional supporting documentation pertinent to clarification of the proposal.
7. **Check List** – The following information must be included with your proposal in this order and be indexed/tabbed:
 - Signature Page (page 3) (must be the front page of your proposal).
 - Addenda Acknowledgments (if any). Note: if addenda are issued, the same will be posted to the Town of Basalt website, as set forth on page 1 of this RFP.
 - Qualifications and Experience, Including References.
 - Proposed Approach to Providing the Services Requested.
 - Price Schedule/Required Responses in the Specifications/Scope of Work.
 - Question and answer section.
8. All changes in the RFP documents shall be through written addendum and furnished to all proposers via the Town's website at www.basalt.net.

9. Proposers who have questions concerning the submission of proposals or the RFP process must contact:
- Christine Hamrick
Finance Director, Town of Basalt
101 Midland Avenue
Basalt, CO 81621
christy.hamrick@basalt.net
970-279-4396
10. The proposals will be reviewed by a selection committee. The committee may request additional information from proposers or request personal interviews with one or more proposer. The weight to be given to each evaluation criterion will be as determined by the selection committee. Final evaluation and selection may be based on, but not limited to, any or all of the following:
- Information presented in the proposal.
 - Ability of the proposer to provide quality and timely products and services.
 - Service reliability and consistency of quality.
 - Qualifications and experience of the proposer.
 - References.
 - Personal interview.
 - Pricing / total cost.
11. All proposals timely submitted shall become the property of the Town and shall be retained in accordance with the Town's records retention schedule.
12. **Public Inspections of Proposals.** The Town is a Colorado governmental entity. Therefore, all information included in proposals and other written information submitted by the proposer to the Town is subject to the provisions of the Colorado Open Records Act, Colorado Revised Statutes Sections 24-72-201, *et seq.* ("CORA"). Proposers should expect that the proposal may be viewed by the general public and competitors once submitted to the Town. If proposer requests any restrictions on the use or inspection of material contained within the proposal, Proposer must:
- (a) clearly identify *and segregate* any portion(s) of its proposal that it believes constitutes trade secrets, privileged information, and/or confidential commercial, financial, geological or geophysical data, which may not be subject to disclosure under CORA ("Confidential Information"),

- (b) place a cover page on such segregated Confidential Information requesting that such Confidential Information be restricted from inspection under CORA, and
- (c) State with such request, on the cover page, the statutory basis for the request under CORA.

Neither a proposal, in its entirety, nor proposal price information will be considered Confidential Information. Any information that will be included in any resulting contract cannot be considered Confidential Information. Co-mingling of Confidential Information with information that is not Confidential Information is not acceptable.

If Proposer fails to satisfy (a) through (c) set forth above, the Town may treat the entire proposal as a public record available for inspection by the public under CORA. However, if Proposer satisfies (a) through (c), the Town intends to redact or withhold such identified and segregated material in response to a CORA request. If the Town is subject to a legal challenge (e.g., mediation, litigation) as a result of the redaction or withholding of such Confidential Information, Proposer shall be responsible to enter into an agreement with the Town to cover all Town costs incurred, including penalties that may be imposed by a judge, to defend its CORA response, with the Town retaining full discretion on how to defend and to what extent. If Proposer fails to enter into such agreement, it shall be discretionary with the Town whether to defend the legal challenge.

13. **No Waiver of Governmental Immunity.** Nothing in this RFP or any resulting agreement shall be construed to waive, limit, or otherwise modify any governmental immunity that may be available by law to the Town, its officials, employees, contractors, or agents, or any other person acting on behalf of the Town and, in particular, governmental immunity afforded or available pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10 of the Colorado Revised Statutes.

TERMS & CONDITIONS

1. All participating proposers, by their signature, agree to comply with all of the terms, conditions, requirements, and instructions of this RFP as stated in this RFP. Should the Town omit anything from this document which is necessary to a clear understanding of the work, or should it appear that various instructions are in conflict, then the proposer shall contact the Town and secure written instructions from the Finance Director at least 48 hours prior to the time and date of the scheduled opening of the proposals.
2. The Town reserves the right to:
 - Reject any and all proposals received as a result of this RFP.

- Waive or decline to waive any informalities and any irregularities in any proposal or responses received.
 - Adopt all or any part of the proposer's proposal.
 - Negotiate changes in the scope of work or services to be provided.
 - Withhold the award of contract.
 - Request additional information or clarification from proposal, or to allow correction of errors and omissions.
 - Select the proposer it deems to be most qualified to fulfill the needs of the Town. The proposer with the lowest priced proposal will not necessarily be the one most qualified, since a number of factors other than price are important in the determination of the most acceptable proposal.
3. All proposals must be signed by an authorized agent of your firm. Any firm or individual submitting a signed proposal shall be deemed to have read and understood all of the terms, conditions and requirements of this RFP.
 4. The Town shall not be liable for any costs incurred by the proposer in the preparation and production of the proposal, contract negotiations or for any work performed prior to the execution of a contract.
 5. All proposals and other materials submitted shall become the property of the Town.
 6. The successful proposer shall be required to enter into a written contract with the Town in a form approved by the Town's Attorney. In the event of any conflict between this RFP and the contract, the terms and conditions of the contract shall control.
 7. The Town reserves the right to conduct discussions with proposers, to accept revisions of proposals, and to negotiate price changes at the sole discretion of the Town. During this discussion period, the Town will not disclose any information regarding proposal submittals. The Town reserves the right to ask for the "Best and Final Offer." Upon the execution of the contract(s), the proposals will become public record and contents may be disclosed upon request.
 8. The successful proposer shall be required to indemnify and hold the Town and its agents and employees harmless from and against all suits or actions of any kind, including workers' compensation claims, brought against them for or on

account of any damages or injuries received or sustained by any parties, by or from any acts of the successful proposer or its agents or employees in fulfilling its contractual duties to the Town.

9. The successful proposer shall have their insurance company send the Finance Director a currently in-force Certificate of Insurance which indicates that insurance coverage has been obtained, including professional liability, which meets the minimum requirements as are required by Colorado law for work performed by the proposer and other insurance requirements as may be set forth in the written contract with the Town.
10. The successful proposer shall comply with all applicable federal, state, and local laws, regulations, administrative rulings, and codes, and shall secure all necessary licenses and permits in connection with this RFP and any goods or services to be provided hereunder. By submitting a proposal to the Town, the proposer certifies pursuant to § 8-17.5-102(1), C.R.S., that, at the time of the submittal of the proposal, it does not knowingly employ or contract with an illegal alien and that the proposer will participate in the e-verify program or the employment verification program established by the Colorado Department of Labor and Employment in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the written contract with the Town.
11. By submission of the proposal, the proposer certifies that the proposal has been arrived at independently and submitted without collusion with any other proposer, and that the contents of the proposal have not been communicated by the proposer, or to the proposer's best knowledge and belief, by any one of its employees or agents, to any person not an employee or agent of the proposer, and will not be communicated to any person prior to the official opening of the proposals.
11. The Town is exempt from sales, use, and excise taxes. Certification of tax exemption will be issued to the proposer upon request. Any appropriate taxes shall be shown as a separate item in the proposal.
12. Firms submitting proposals may be requested to make oral presentations as part of the evaluation process.
13. The Town of Basalt reserves the right to retain all proposals submitted and to use any ideas the request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Town of Basalt and the firm selected.

SCOPE OF WORK

Thank you in advance for your proposal for the Town of Basalt's 401(a) and 457(b) retirement plans. For this proposal, we request that each potential provider submit answers to each of the questions below. We ask that you please also take the following plan demographics/needs to formalize your proposed plan pricing:

457(b) Plan Assets - \$1,725,461
 457(b) Active Lives – 19
 457(b) Terminated Participants – 11

401(a) Plan Assets - \$2,437,384
 401(a) Active Lives – – 22
 401(a) Terminated Participants – - 18

VALIC/AIG Individual Contract Assets \$383,987.82

NOTE: VALIC/AIG are the retirement accounts that have not been rolled over.

TERM OF ENGAGEMENT: A five-year engagement term is contemplated subject to annual review and recommendation, the satisfactory negotiation of terms (including a price acceptable to both the Town of Basalt and the selected firm), the concurrence of the Town of Basalt and the annual availability of appropriation.

Requesting transition group education, 2 days of ongoing one-on-one education paired with group meetings on 1 of those 2 one-on-one days.

The RFP should include any and all fees associated with the financial advisor/consultant on a percentage of assets per year basis.

REQUIRED RESPONSES

Please provide the following information with your proposal.

- Signature Page (page 3) (must be the front page of your proposal).
- Qualifications, experience including number of years in business.
- References (minimum of three (3) references, preferably other cities, town or local governments in Colorado that the proposer currently provides services to).
- Cost Proposal (Exhibit 1).
- Sample Agreement
- Questions to please answer as follows:

1. About Your Firm/Team: (If your firm includes multiple teams around the country, please tell us about your team.)

- a. Firm Name:
 Corporate Address:

Contact for this RFP

Name:

Phone:

Fax:

Email:

- b. Describe the ownership and structure of your firm (team)
- c. Do you provide wealth management assistance, solely group plan consulting or a combination of both?
- d. List your firm's lines of business (including affiliated companies).
- e. How many years has your firm been in business?
- f. Briefly describe your firm's history.
 - i. How many years has your firm been servicing retirement plan clients?
 - ii. What documentation of your firm's history servicing retirement plan clients can you provide?
- g. What is the total number of employees in the firm?
 - i. Of those, number of employees who are Investment Advisory Representatives (IAR).
 - ii. Do you use sub-contractors?__ Yes ____No
 - a. If Yes, who and for what services?
- h. What is the position of your firm in the employer-sponsored retirement plans business?
 - i. Assets under management?
 - ii. Total number of clients with defined contribution plans under your advisement (401(k)/403(b)/401(a) Profit Sharing/ 401(a) Profit Sharing or Money purchase other than 401(k) plans, Government 457, 457(b), and 457(f) plans)
 - iii. Number of core client plans (with whom your firm have regular quarterly contact)
 - iv. Number of client plans added over the past 24 months
 - v. Number of clients lost over the past 24 months
 - vi. Publications your firm has created or contributed to
 - vii. Recognition received from independent sources demonstrating expertise and credibility
 - viii. Percentage of revenue from retirement plan investment advisory services?
- h. Please list the types of services your firm offers for retirement plans
 - i. Please describe your firm's experience helping clients through complex process such as Department of Labor audits, Internal Revenue Service audits, voluntary compliance actions, partial plan termination determinations, plan mergers of spin-offs, plan terminations, or corrective contributions
 - j. How does your firm define and measure the success of retirement plan relationships?

- k. Please list the federal, state, and other regulatory agencies with which your firm is licensed or registered, and the type of license held.
 - i. Please indicate which employees are not registered or licensed, and why.
- l. Have any individuals from your firm ever been disciplined by any government regulator for unethical or improper conduct or been sued by a client who was not happy with the work performed by the firm?
- m. Has your firm or any advisor of your firm been found guilty of any violation or paid any fines because of violations of securities regulations or ERISA?
- n. Is your firm bonded/insured? If so, to what amount?

2. Service Team

- a. Describe your service model to our plan (staff, responsibilities, interactions with our plan, frequency of in-person meetings, frequency of conference calls, team dynamics)
- b. Primary contact for our relationship:
 - Name:
 - Title:
 - City and State
 - Phone:
 - Fax:
 - Email:
 - Overall experience with employer-sponsored retirement plans
 - Commitment to the retirement plans business
 - Education, honors, designations and other credentials
 - Regular activities to stay current on market and regulatory developments
 - Area of expertise
 - Years with the firm
 - Role at the firm
 - Number of plans supported
 - Average size of plans supported
- c. Will the primary contact be the only person with whom we will be working? ___ Yes___ No (if no, please list name(s), contact information, and profile information for each person)
 - Contact Name:
 - Title:
 - City and State:
 - Phone:
 - Email:
 - Overall experience with employer-sponsored retirement plans
 - Education, honors, designations, and other credentials
 - Area of expertise
 - Years with the firm

Role on the team serving our plan
Number of plans supported
Average size of plans supported
Number of plans lost this year

3. Organization

- a. Describe the philosophy of your firm working with employer-sponsored retirement plans.
- b. How do you see the future of governmental 457 recordkeeping / plan services, and how does your company intend to differentiate itself?
- c. How many government/public-sector retirement plan sponsors do you currently serve? How many government/public sector participants do you serve?
- d. In what year did your firm begin providing services to governmental 457 plans?
- e. Do you recommend keeping 401(a) and 457(b) plans separate or consolidating during the transition?
- f. Do recommend any non 401(a) or 457(b) plan structuring, creative plan structuring/design?

4. Employee Experience – Communication and Education

- a. For your participant education representatives, what percentage of their compensation is salary vs. incentive compensation? Is there an incentive to sell products or services outside the 401(a) and 457 plans?
- b. Describe your approach to participant education and how it addresses the specific needs of government employees.

5. Investment Services

- a. Describe your firm's approach to retirement plan investment consulting.
- b. What investment policy statement support do you offer? What is your firm's philosophy toward the drafting and reliance upon one?
- c. What factors (qualitative and quantitative) do you use to determine a fund recommendation change? What is your process for documenting changes to the watch list?
- d. What type of investment reporting do you provide?
- e. What tools does your firm use to evaluate investment funds and managers?
 - i. Which of these tools are proprietary to your firm, developed in-house or specifically for your firm?
- f. Describe your investment research resources and capabilities
 - i. How are investment benchmarks determined?
 - ii. Is your investment research proprietary or from a third party?
- g. Do you hold performance review meetings with client and what reports do they receive?

- h. What actions do you take when investments are not performing?
- i. Will your firm offer investment advice to our plan? Yes No
Please explain. Describe the universe of investments and investment managers that your firm recommends/can provide for defined contribution clients. For each universe include the number and size and source of the data.
- j. Please describe your firm's view on target date investments. If you recommend them, please provide and explain your recommendation. If not, please describe any recommended alternatives and describe any fiduciary role you would play in the offering of such alternatives.
- k. Describe your experience researching, evaluating, and implementing the use of money market funds and stable value funds.
- l. Do you offer model allocations?
- m. What is your firm's view of an investment-of-investments approach versus alternate structures? Please provide details.
- n. How does your firm view and analyze participants' asset allocations? Has your firm ever implemented a forced re-allocation? Please describe in detail.
- o. What is your approach to managing absolute and relative investment risk? Include a description of your general approach to controlling risk, e.g., do you favor the use of asset weight limits or risk limits, a combination, or other approaches?
- p. Please outline 3 funds you've recommended changing out in the past 24 months, the rationale behind the recommended change and the funds that were recommended as replacements.

6. Fiduciary Status and Compliance

- a. Do you intend to act as a fiduciary for the plan and/or its participants?
- b. What compliance resources does your firm provide?
- c. Do you offer committee training, education, and support?
- d. What additional reporting do you provide plan sponsors to assist them in their fiduciary duties?
- e. Describe your fiduciary responsibility under ERISA to our plan, including your ability to serve in an ERISA 3(21) or 3(38) capacity?
- f. What do you charge for 3(21) or 3(38) protection?
- g. Describe your fiduciary responsibility to our plan participants.
- h. Describe potential conflicts of interest that may arise with the proposed advisory relationship.
- i. Does your firm have a written policy for addressing conflict of interest?
 Yes No
 - i. Please describe
- j. Have any of your clients been the subject of an investigation by the Department of Labor? Yes No
 - i. Please describe

7. Fees

- a. How is your firm compensated for services?
- b. Does your firm receive any form of compensation or benefits from companies or individuals whose products or services you may refer or recommend? __ Yes__ No
 - i. Please explain
- c. Please describe any and all fees for services to our plan under this proposal. All fees are to be guaranteed for the five year agreement.
- d. Does your firm provide written agreement or a letter of engagement detailing services provided to our plan? __ Yes__ No
 - i. If so, please include sample.
 - ii. The Town of Basalt will be using its own form of professional agreement, and will be including applicable terms, disclosures, and addendums from the sample provided from the company who is awarded the bid.
- e. What is your ability to offset fees with 12b1 fees, finders' fees, or other fees embedded within the plans' investments?
- f. Are you able to share revenue back to participants?
- g. What is your guarantee period on your proposed pricing?

8. Security and Business Continuity

- a. Please describe the succession plan for the primary contact who will be working with our plan
- b. Please describe your firm's data security measures
- c. Please describe your firm's disaster recovery plans

Exhibit 1

Cost Proposal

Detailed cost to provide all services per the Scope of Work: