



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

May 16, 2023

Request for Proposals 2023-008

Retirement Advisory for 401(a) and 457(b) Plan

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SECTION I – SUMMARY

The Bay Area Air Quality Management District (“Air District”) seeks proposals from qualified firms to provide fiduciary support, investment analysis, holistic benefits design, fee benchmarking, target date fund consulting, and employee engagement. The Air District anticipates selecting one (1) qualified firm to provide the service. The term of the contract will be for a one-year period with the option to extend for two (2) additional one-year terms at the Air District’s sole discretion. Firms who have demonstrated expertise, knowledge of current California and Federal legal requirements in deferred compensation administration, recordkeeping services, plan education, communication, investment selection, custodial management, and other related services are encouraged to submit a proposal.

To respond to this Request for Proposals (“RFP”), an interested firm should submit one (1) electronic copy (in Adobe Acrobat PDF file format) of its proposal to the Air District’s Procurement Portal (“Portal”):

Michael Chao, Staff Specialist
Bay Area Air Quality Management District
375 Beale Street, Suite 600; San Francisco, CA 94105
Portal link: <https://baaqmd.bonfirehub.com>

**Proposals must be received by 4:00 p.m. on Monday, June 26, 2023 (“deadline”).
Late proposals will not be considered.**

Proposals must address all information requested in this RFP. A proposal may add

information not requested in this RFP, but the information should be in addition to, not instead of, the requested information and format. Minority business enterprises, women's business enterprises, veteran's business enterprises, local businesses, and certified green businesses are encouraged to submit proposals. **Any questions regarding this RFP should be submitted through the Portal.**

SECTION II – BACKGROUND

A. Air District Overview

The Bay Area Air Quality Management District is the government agency responsible for protecting air quality in the San Francisco Bay Area. The Air District is tasked with regulating stationary sources of air pollution in the nine counties that surround San Francisco Bay: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, southwestern Solano, and southern Sonoma counties. It is governed by a 24-member Board of Directors composed of locally elected officials from each of the nine counties. The Air District's mission is to create a healthy breathing environment for every Bay Area resident, while protecting and improving public health, air quality and the global climate.

The Air District aims to achieve its mission through many strategic goals, including reducing and eliminating health problems caused by air pollution, achieving and maintaining air quality standards, leading the Bay Area's efforts to fight global climate change, creating high-quality regulatory programs, and applying environmental best practices in all operations. To do so, the Air District regulates air pollution emissions from stationary emission sources such as factories, refineries, and power plants, and from smaller facilities like gas stations and dry cleaners. The Air District ensures that such facilities comply with air pollution laws and regulations, provides incentives to replace older, higher-emitting vehicles and equipment with cleaner alternatives, and gives grants and provides outreach to encourage healthy clean air choices by businesses and consumers. The Air District implements these efforts with an equity focus, aiming to reduce air quality disparities and promote environmental justice by targeting local air pollution in overburdened communities.

B. Retirement Advisory for 401(a) and 457(b) Plan

The Air District seeks a qualified firm with experience in government 457(b) and 401(k) deferred compensation plans and will provide fiduciary support, investment analysis, holistic benefits design, fee benchmarking, target date fund consulting, and employee engagement.

The primary goals of this RFP include the following:

1. Providing investment advice and aid the Air District with selecting the most appropriate investment menu(s);
2. Providing review, analysis, and consultation services to the Air District's Investment Policy Statement;
3. Providing Air District participant education and communication services;
4. Partnering with the Air District and its fiduciary committee with plan governance and compliance. Services may include reviewing the Air District charters and by-laws on a monthly basis, and assisting the Air District with meeting agenda

- creation, administration, and providing education sessions on investment issues and to communicate important legal and regulatory changes and trends;
and
5. Conduct an independent request for proposal for plan providers.

SECTION III – SCOPE OF WORK

The Air District sponsors the 401(a) and 457(b) Deferred Compensation Plan for eligible Air District participants and their beneficiaries. The Air District needs assistance with up to 460 participant accounts and total plan assets.

A. Investment Advice (Plan Level)

The selected firm will provide research and analysis regarding investment advice and perform procedural investment due diligence services for the Air District. The goal of the investment due diligence process is to aid the Air District in the selection and ongoing monitoring of funds for plan sponsors and individuals in accordance with the Air District's investment policy statement to arrive upon, or facilitate, sound investment-related recommendations.

The interested firm should detail its philosophy and approach the firm will utilize to provide investment advice for the Air District. This may include, but not limited to:

- The firm's mission statement and investment philosophy;
- The firm's approach to due diligence;
- Detailing and demonstrating the types of calculations and metrics used in its plan evaluation and investment analysis;
- Identifying underperformance;
- Screening techniques; or
- The firm's control processes used to arrive at specific recommended individual investments within the array of investments offered by each investment provider being analyzed.

The selected firm will provide its investment analysis annually and will attend quarterly committee meetings with the Air District and the Air District's current plan provider. The selected firm will provide watch list reports quarterly to the Air District which will list investments that are underperforming and will need to be monitored.

B. Review of Air District's Investment Policy Statement

The selected firm will review the Air District's current Investment Policy Statement for the Air District and, if applicable, provide recommendations to the Investment Policy Statement or provide recommendations that are consistent with assisting the Air District in making prudent investment decisions. The Air District shall execute and follow an approved Investment Policy Statement.

C. Employee Education and Communication Services

Upon the Air District's request, the selected firm shall provide education and communication services for the Air District and its employees to make informed plan

choices. Services will include education surrounding enrollment and investment education and may include one-on-one and/or group participant education meetings and/or participant investment planning meetings with trained representatives to present educational seminars and participant meetings on the details of the Air District's plan and its plan's investments.

The selected firm will also provide quarterly plan sponsor communication to the Air District. The quarterly communication will include information necessary for the Air District to stay up to date and informed of industry movement and legislative compliance and updates. The quarterly communication may include industry and marketplace updates, relevant changes in tax legislation which affect relevant defined contribution and deferred compensation plans, or changes in investment options.

D. Plan Governance and Committee Function Assistance

On a monthly basis, the selected firm will develop and review Air District charters and by-laws for the Air District's fiduciary committee and assist the committee in meeting its fiduciary responsibility requirements. Included services shall include providing education sessions on investment issues, communicating important legal and regulatory changes and trends, and assisting the Air District with meeting agenda creation, documenting, and reviewing meeting minutes.

E. Conducting a Request for Proposals for a new plan provider

Upon the Air District's request, the selected firm will assist the Air District to conduct an independent request for proposal for plan providers. Services include, but are not limited to:

- Reviewing the Air District's existing plan provider;
- Develop a request for proposal for plan providers;
- Conduct the request for proposal on the Air District's behalf;
- Evaluate proposals on criteria in consultation with the Air District;
- Conduct the finalist interview process;
- If applicable, aid the Air District in the implantation and transition of plans;
- Review contract documentation with the plan provider;
- Provide project training, preparation, and development;
- Provide process management and analysis; and
- Aid the Air District in participant communication and support.

SECTION IV – INSTRUCTIONS TO BIDDERS

A. General

1. Interested firms must create an account through the Portal described in this RFP to view RFP documents and addenda, and to submit questions and proposal documents.
2. All proposals must be made in accordance with the conditions of this RFP. Failure to address any of the requirements is grounds for rejection of the proposal.

3. All information should be complete, specific, and as concise as possible.
4. Proposals should include any additional information that the bidder deems pertinent to the understanding and evaluation of the proposal.
5. The Air District may modify the RFP or issue supplementary information or guidelines during the proposal preparation period prior to the deadline. Please check the [Portal](#) for updates prior to the deadline.
6. All proposals shall constitute firm offers valid for ninety (90) days from the deadline. Once submitted, proposals may be withdrawn, modified, and resubmitted through the Portal up until the deadline.
7. The Air District reserves the right to reject all proposals.
8. All questions must be in written form and submitted through the Portal no later than **4:00 p.m. on Monday, June 5, 2023**. Bidders will not be able to submit questions after this time. All questions will be answered in writing and posted on the [Portal](#) by **6:00 p.m. on Thursday, June 15, 2023**.
9. The cost for developing the proposal is the responsibility of the bidder and shall not be chargeable to the Air District.

B. Submittal of Proposals

All proposals must be submitted according to the specifications set forth in Section V (A) – Contents of Proposal, and this section. Failure to adhere to these specifications may be cause for the rejection of the proposal.

1. **Deadline** – All proposals are due no later than **4:00 p.m., Monday, June 26, 2023**, and must be submitted via the Portal to:

Michael Chao, Staff Specialist
Bay Area Air Quality Management District
375 Beale Street, Suite 600; San Francisco, CA 94105
Portal link: <https://baaqmd.bonfirehub.com>
2. **Uploading large documents** may take significant time, depending on the size of the file(s) and internet connection speed. Bidders should plan sufficient time before the deadline to finalize their submissions and complete the uploading process. Bidders will not be allowed to submit documents after the deadline. Proposals received after the deadline will not be considered.
3. **Signature** – All proposals must be signed by an authorized representative of the bidder.
4. **Submittal** – Submit one (1) electronic copy (in Adobe Acrobat PDF file format) to the Portal. Electronic submissions submitted via the Portal will be acknowledged with a confirmation email receipt. Late proposals will not be accepted. Any correction or re-submission of proposals will not extend the

submittal deadline.

5. Grounds for Rejection – A proposal may be rejected at any time if it arrives after the deadline, is not in the prescribed format, or is not signed by an individual authorized to represent the firm.
6. Disposition of the Proposals – All responses to this RFP become property of the Air District and will be kept confidential until a recommendation for award of a contract has been announced. Thereafter, submittals are subject to public inspection and disclosure under the California Public Records Act. If a respondent believes that any portion of its submittal is exempt from public disclosure, it may mark that portion “confidential.” The Air District will use reasonable means to ensure that such confidential information is safeguarded but will not be held liable for inadvertent disclosure of the information. Proposals marked “confidential” in their entirety will not be honored, and the Air District will not deny public disclosure of any portion of submittals so marked.

By submitting a proposal with portions marked “confidential,” a respondent represents it has a good faith belief that such portions are exempt from disclosure under the California Public Records Act and agrees to reimburse the Air District for, and to indemnify, defend, and hold harmless the Air District, its officers, employees, and agents, from and against any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs, and expenses, including without limitation, attorneys’ fees, expenses, and court costs of any nature whatsoever, arising from or relating to the District’s non-disclosure of any such designated portions of a proposal.

7. Modification – Once submitted, proposals, including the composition of the contracting team, may be modified up until the deadline. Proposals may not be modified after the deadline.

C. Interviews

1. The Air District, at its option, may interview bidders. The interviews will be for the purpose of clarifying the proposals.
2. Submittal of new proposal material at an interview will not be permitted.
3. Interviews may involve a presentation and/or a question-and-answer session.
4. Interview teams should be representative of the project team.

SECTION V – PROPOSAL FORMAT, CONTENT, AND SUBMITTAL

A. Contents of Proposal

Submitted proposals should follow the format outlined below and include all requested information. Failure to submit proposals in the required format may result in the proposal being eliminated from evaluation and consideration.

1. Technical Proposal

- a. Cover Letter (Section I) – Include the name, address, and telephone number of the firm, and signed by the person(s) authorized to represent the firm.
- b. Contact Information – Provide the following information about the firm:
 - Address and telephone number of office nearest to San Francisco, California and the address and phone number of the office that each of the proposed staff members are based out of if different.
 - Name of firm’s representative designated as the contact and email address.
 - Name of project manager, if different from the individual designated as the contact.
- c. Table of Contents – Clearly identify material contained in the proposal by section.
- d. Summary (Section II) – State overall approach to the **Retirement Advisory for 401(a) and 457(b) Plan**, including the objectives and scope of work.
- e. Experience and Qualifications (Section III) – Provide a statement of your firm’s background and related experience in providing similar services to governmental organizations, if any. Describe the technical capabilities of the firm and, in particular, the firm’s experience working with deferred compensation plans and plan selection.
- f. References (Section IV) - Provide a minimum of three (3) references of other, similar projects including company name or government entity, contact name, title, phone number and e-mail address for all references listed. For each reference, include a description of services provided and dates the services were provided.
- g. Project Approach and Methodology (Section V) – Provide a detailed description of the approach and methodology to be used to accomplish the scope of work.
- h. Project Schedule (Section VI) – Provide projected milestones or benchmarks for completing the project within the total time allowed.
- i. Project Organization (Section VII) – Describe the proposed management structure, program monitoring procedures, and organization of the proposed team. Provide a statement addressing your firm’s ability and willingness to commit and maintain staffing to successfully conclude the project on the proposed project schedule.
- j. Assigned Personnel (Section VIII) – Provide the following information about the staff to be assigned to the project:

- List all key personnel assigned to the project by level and name. Provide a description of their background, along with a summary of their experience in providing similar services for governmental agencies, and any specialized expertise they may have. Background descriptions can be a resume, curriculum vitae, or summary sheet. Substitution of project manager or staff will not be permitted without prior written approval of the Air District's assigned program manager.
 - Provide a statement of the availability of staff in any local office with requisite qualifications and experience to conduct the requested project.
 - Provide a statement of education and training programs provided to, or required of, the staff identified for participation in the project. Make particular mention of with reference to experience dealing with governmental agencies, procedures, and environmental regulations.
- k. Retention of Working Papers (Section IX) – All working papers are the property of the Air District. Include a statement acknowledging that if your firm is awarded the contract, you will retain project related papers and related reports for a minimum of five (5) years.
- l. Subcontractors (Section X) – List any subcontractors that will be used, the work to be performed by them, and the total number of hours or percentage of time they will spend on the contract.
- m. Conflict of Interest (Section XI) – Address possible conflicts of interest with other clients affected by contractors' actions performed by the firm on behalf of the Air District. The Air District recognizes that prospective bidders may have contracts to perform similar services for other clients. Include a complete list of such clients for the past three (3) years with the type of work performed and the total number of years performing such tasks for each client. The Air District reserves the right to consider the nature and extent of such work in evaluating the proposal.
- n. Additional Data (Section XII) – Provide other essential data that may assist in the evaluation of the proposal.
- o. Self-Certification for Local Business or Green Business (XIII) - If applicable, include a statement self-certifying that your firm qualifies as a local business and/or certified green business. "Local business" means that a firm's headquarters is located within the nine counties of the Air District's jurisdiction. A green business must be certified by a government agency or independent private rating organization.
2. Cost Proposal
- a. List the fully-burdened hourly rates and the total number of hours estimated for each level of professional and administrative staff to be used to perform the tasks required by this RFP. In addition, costs should be estimated for each of the components of the Scope of Work.

- b. Include a list of anticipated reimbursable expenses, such as expenses for travel, presentation materials, supplies, deliveries, black/white and color printouts and copies, faxes, photo scans, copywriting and copyediting services and the rate charged for each.
- c. Any other fees or charges.

SECTION VI – PROPOSAL EVALUATION

A panel of Air District staff will evaluate all proposals. The panel will recommend the selection of the contractor to the Air Pollution Control Officer (APCO), who will, in turn, make a recommendation to the Air District Board of Directors. The Air District Board of Directors may be required to approve the contract to conduct the work described in this RFP. A link to a typical contract for professional services used by the Air District is included in Section VII.

Proposals will be evaluated on the following criteria:

Criteria	Description	Points
Expertise	Technical expertise, size and structure of the firm and personnel assigned to RFP tasks; firm’s ability to perform and complete the work in a professional and timely manner.*	20
Skill	Experience of the firm and, in particular, experience of the team working on projects of similar scope for other governmental agencies.	20
Approach	Responsiveness of the proposal, based upon a clear understanding of the work to be performed.	15
Cost	Cost or cost effectiveness and resource allocation strategy.	20
References	Quality and applicability of references.	15
Firm’s Specialty Focus Area**	Local business.	5
	Certified green business.	5
Total		100

* “Size and structure of firm” refers to the ability of a firm’s size to meet the needs of the Air District. It does not give absolute preference to larger or smaller firms.

** The Air District gives preferences to local businesses and those that are certified as green businesses by a government agency or independent private rating organization. “Local business” means that a firm’s headquarters is

located within the nine counties of the Air District's jurisdiction. Bidder must include a statement in their proposal self-certifying that the bidder qualifies as a local business and/or certified green business to receive points for this criteria.

If two or more proposals receive the same number of points, the Air District will accept the lower cost offer.

SECTION VII – RFP SCHEDULE

MILESTONE	DATE
RFP RELEASE DATE	May 16, 2023
WRITTEN QUESTIONS DUE	June 5, 2023
ANSWERS POSTED ON PORTAL	June 15, 2023
PROPOSAL DEADLINE	June 26, 2023
SELECTION OF FINALIST(S)*	August 7, 2023
COMMENCEMENT OF CONTRACT*	September 1, 2023

*Dates are tentative and subject to change.

SECTION VIII – SAMPLE CONTRACT

A sample contract to carry out the work described in this RFP is available on the Air District's website at <http://www.baaqmd.gov/about-the-air-district/request-for-proposals-rfp-rfq/samples-previous>. (Click the + to the left of Sample Contracts, and then click on the Professional Services Contract link)