

Request for Quotations

For Other Post-Employment Benefits (OPEB) Actuarial Valuation Services

Addendum Number 1 – Issued February 1, 2021

The Santa Barbara Metropolitan Transit District (MTD) issues this Addendum No. 1 to its *Request for Quotations for Other Post-Employment Benefits (OPEB) Actuarial Valuation Services* (RFQ) issued on January 15, 2021. This addendum provides clarification and addresses the questions (Q) by Offerors, with a response (R). This addendum is now incorporated into and part of the RFQ. Except as modified by this addendum, all other terms and conditions of the RFQ remain unchanged.

Proposals will be accepted at purchasing@sbmtd.gov until Wednesday, February 10, 2021, at 10:00 AM PST.

Price Proposal Form

A revised *Price Proposal* form is issued due to a clerical error in the pricing table title. Quotations shall be provided on the fully completed and signed *Price Proposal* form attached hereto showing the total compensation for carrying out the project under the terms of the Agreement. Failure to include a completed and signed quotation using the provided *Price Proposal* form will render a bidder non-responsive and it will be rejected.

Credit & Work References Form

Q1 – “The RFQ contains a *Credit & Work References* form that asks bidders to include our primary bank and two firms that we currently purchase Services from on credit. May we leave this section blank if we do not purchase services on credit? Credit references would likely not be relevant for most actuarial consulting firms.”

R1 – As a federally funded contract, MTD is required to verify the bidder's financial capacity to carry out the project. The credit references provided are not limited to service providers.

Scope of Services

Q2 – “Section III.A. of the RFQ *Scope of Services* requests that the actuary “draft in its entirety the note to the financial statements” which is typically not the actuary’s responsibility. Is it acceptable if our actuarial reports contain all of the necessary GASB 75 accounting entries so that SBMTD can update its existing OPEB financial notes?”

R2 – Yes, this addendum includes changes to the *Scope of Services*, attached hereto.

With this addendum, paragraph in Section III of the *Scope of Services* is revised to read:

A. Annual Audits – Contractor shall prepare and provide all of the necessary GASB 75 accounting entries necessary for inclusion in MTD’s audited financial statements for the fiscal years ending on June 30 of each year 2021 through 2026.

Data Requests

Q3 – “Can you provide a PDF of the District’s last completed GASB75 valuation report?”

“Could you please provide copies of the last two GASB 75 valuation reports?”

“Can you please provide the last two (2) OPEB Valuation Reports?”

“We would like to request copies of the District’s most recent OPEB actuarial valuation and GASBS 75 reports. We believe these would be for the June 30, 2019 full valuation and the June 30, 2020 update valuations.”

“Please provide a copy of your latest actuarial reports (GASB Disclosure 75 report and ADC Funding Report).”

R3 – Please see attached Actuarial Valuation Reports:

- As of July 1, 2018 for the fiscal year ending June 30, 2019 (interim)
- As of July 1, 2019 for the fiscal year ending June 30, 2020

Regarding ADC report, funding is not based on actuarially determined contributions and contributions are neither statutory nor contractually established.

Q4 – “What was the fee paid for that prior valuation?”

“If possible, please provide the fees paid for services related to the above reports”

“What were the fees charged by the current actuary for the last two GASB 75 valuation reports?”

“Can you please provide the annual actuarial fees paid to the current actuary for each of the last three years for services comparable to those included in the RFQ?”

R4 – The fee was \$26,800 FY20 full report; \$5,000 for prior year interim report; and \$25,300 for the prior year’s full report.

Q5 – “What is the anticipated budget for this contract?”

R5 – The contract cost estimate is not being disclosed.

General Information

Q6 – “Why is the District now putting this work out to bid?”

“Why are proposals for actuarial valuation services being requested at this time?”

R6 – To ensure MTD is receiving competitive pricing.

Q7 – “When were these services last placed out for bid?”

R7 – 2009

Q8 – “How long has the current actuary been providing OPEB valuation services to Santa Barbara MTD?”

R8 – 2009

Q9 – “Please describe whether there are any issues or concerns with your current actuary’s services.”

“Are there any service concerns with the current actuary?”

R9 – There are no issues or concerns.

Q10 – “Were there any special OPEB projects over the last three years? If so, please provide a brief description of each project and the corresponding fees.”

R10 – No.

End of Addendum 1