

Request for Proposals

Investment Consulting Services

For

**The Bloomington Fire Department Relief Association
Pension Fund, MN**

November 12, 2015

Due: 10:00 A.M., CST, Thursday, December 10, 2015

By email to: Sofia Anastopoulos at sofia@pfundsconsulting.com

**Request for Proposals
Investment Consulting Services
The Bloomington Fire Department Relief Association
Pension Fund, MN**

Table of Contents

I. PURPOSE - INTRODUCTION	1
II. OBJECTIVE	1
III. DEFINITIONS	1
IV. BACKGROUND	2
V. INQUIRIES	3
VI. DETERMINATION OF RESPONSIBILITY	4
VII. PROJECTED TIMETABLE	4
VIII. SCOPE OF SERVICES	5
IX. SUBMITTAL REQUIREMENT	6
X. SUBMISSION OF PROPOSAL	6
XI. PROPOSAL EVALUATIONS	8
XII. QUESTIONNAIRE	8
A. General Information - Investment Consultant and Organization	8
B. Insurance	9
C. Conflicts of Interest	9
D. Personnel	10
E. Asset Allocation Reviews	11
F. Manager Performance Evaluation	11
G. Client Coverage and References	12
H. Additional Information	13
I. Pricing	13
XIII. CONTRACT AWARD	14
XIV. CONTRACT TERMS AND CONDITIONS	14

APPENDICES

- A. State Statute**
- B. BFDRA Annual Report 2014**
- C. BFDRA Investment Policies**
- D. BFDRA January 1, 2015 Actuarial Study**
- E. BFDRA Pension Fund Portfolio**
- F. Confirmation of Receipt of Addenda**
- G. Statement of Non-Collusion**
- H. Sample Contract to be Awarded**

Request for Proposals

Investment Consulting Services

for

The Bloomington Fire Department Relief Association Pension Fund, MN

I. PURPOSE - INTRODUCTION

The Board of Trustees (the “Board”) of the Bloomington Fire Department Relief Association (“BFDRA”) Pension Fund (the “Fund”) is requesting proposals from well qualified firms to provide investment consulting services to the BFDRA for its Fund. The role of the selected investment consultant will be to review the BFDRA’s investment policy, examine the BFDRA’s asset allocation in the context of BFDRA’s funded levels and actuarial assumed rates of return and make recommendations to the Board for consideration of possible changes to the Fund’s investment policy and strategic asset allocation. As well, the selected investment consultant will review the performance of the Fund’s current managers and discuss their respective roles in light of the asset allocation review.

II. OBJECTIVE

1. A one-time review and evaluation of the Fund’s current investment policy, asset allocation mix and managers’ performance; or
2. An on-going consulting relationship to assist the Board with its investment policy, asset allocation, manager evaluation and selection decisions, and periodic reporting of the managers and the total portfolio

The Board plans to contract with a single firm with broad investment consulting expertise. In the event no submitted proposals are deemed satisfactory to the Board, no selection will be made.

III. DEFINITIONS

ADDENDA – Written instruments issued by the BFDRA prior to the date for receipt of Proposals which modify or interpret the Request for Proposals (RFP) documents by addition, deletions, clarification or corrections.

BFDRA – The Bloomington Fire Department Relief Association.

CITY - The City of Bloomington, a political subdivision of the State of Minnesota.

CONTRACT - The written agreement between the BFDRA and the Contractor covering the performance of the Project. The contract documents consist of the Request for Proposals,

submitted Proposal, including any diagrams, blueprints, addenda, and a form of agreement between the BFDRA and the Contractor.

CONTRACTOR – The qualified Vendor/consultant that is awarded a contract to provide investment consulting services for the BFDRA Fund.

PROJECT – The BFDRA will chose one of two options:

1. A one-time special review of BFDRA’s current investment policy, asset allocation and managers’ performance or
2. An on-going consulting relationship to assist the BFDRA with its investment policy, asset allocation and manager evaluation and selection decisions

PROPOSAL – A complete and properly signed proposal to provide goods, commodities, labor or services for the sum stated and submitted in accordance with the Request for Proposals.

PROPOSER - The person, Contractor, corporation or other entity submitting a Proposal on items listed in the RFP Documents and thereby agreeing to meet the terms and conditions of the specifications if awarded the Contract.

VENDOR - The person, consultant, corporation or other entity submitting a Proposal on items listed in the RFP and thereby agreeing to meet the terms and conditions of the specifications if awarded the contract.

IV. BACKGROUND

Bloomington Fire Department Relief Association (BFDRA)

Fire coverage in Minnesota is provided through approximately 800 firetowns. Minnesota volunteer firefighters typically have pension coverage as part of their compensation package and that pension coverage is provided by the various local volunteer firefighter relief associations located in the state. These volunteer firefighter relief associations are creatures of state law and are subject to various statutory regulations.

The city of Bloomington, MN (“Bloomington”) has a volunteer fire department. However, retirement coverage to Bloomington firefighters is based on the salary of a salaried (police) position and is thus considered a paid firefighters relief association for statutory regulation purposes. The city’s website is at <https://www.bloomingtonmn.gov/>.

The Bloomington Fire Department Relief Association (the “BFDRA”) provides retirement relief and other benefits to members and their dependents. For purposes of Chapter 424A of Minnesota Statutes, the BFDRA is a governmental entity that receives and manages public funds to provide retirement and ancillary benefits for individuals providing the governmental services of firefighting, and, if applicable, emergency response, for Bloomington.

The BFDRA also has authority to raise funds from private sources to furnish fire and emergency equipment for the Bloomington Fire Department, and for other purposes deemed necessary and appropriate by the BFDRA to the extent permitted by law. Benefits paid to members and their dependents are funded exclusively through governmental sources and, through restricted donations.

At December 31, 2014, the BDFRA had assets of \$152.5 million and a funding ratio of 113%. The fund is diversified and had a return of 7.01% for the year ended December 31, 2014. The portfolio is included as **Appendix E**.

The BFDRA does not utilize an investment consultant. It currently has two fund managers: the Minnesota State Board of Investment (SBI) and the Parr Group of Wells Fargo which also provides reporting of the entire portfolio.

Additional information on the BFDRA can be found at its website, <http://bfdra.org/>.

The BFDRA's investment policy is included as **Appendix C**.

V. INQUIRIES

It will be the responsibility of the Proposer to inquire about any portion of the RFP that is not fully understood or susceptible to more than one (1) interpretation. Written inquiries are required. Oral communications will not be accepted, except to confirm delivery of proposal or written correspondence. All questions concerning the RFP must reference the page number, section heading, and paragraph. **Questions may be submitted via email. Please place "RFP: Investing Consulting Services Question" in the subject line.**

The Board has engaged **Public Funds Consulting, LLC** to assist with this RFP.

Vendors needing additional submittal, technical or general information should contact **Sofia Anastopoulos**, of **Public Funds Consulting** via e-mail:

sofia@pfundsconsulting.com

All inquiries, questions, or clarifications must be submitted not later than **4:00 pm CDT Monday, November 30, 2015**. Those inquiries, questions, or clarifications submitted after this date will not be answered. All inquiries will be responded to by **December 4, 2015**. Inquiries and the BFDRA's response will be provided to all Contractors who acquired an RFP.

Do not ask personnel of the BFDRA or City personnel questions, as information gathered from other sources may not reflect the BFDRA's position or interest and could result in disqualification.

The BFDRA reserves the right to contact Proposers individually for the purpose of clarifying Proposals.

Any Addenda to this RFP will be issued in writing. No oral statements, explanations, or commitments shall be provided. Vendors must return Confirmation of Receipt of Addenda with their proposals noting receipt of any addendums that may be issued.

VI. DETERMINATION OF RESPONSIBILITY

All prospective Vendors must clearly state and demonstrate that they satisfy the following qualifications.

Failure to satisfy the minimum qualifications may result in rejection of the proposals.

1. As of the date of this RFP, the Proposer must have provided investment consulting services similar to those described in the section on Scope of Services, to at least four (4) public pension funds within the past two (2) years.
2. The Proposer must be registered as an investment adviser under the Investment Adviser's Act of 1940 and must maintain such registration at all times during the term of this contract (unless exempt and an explanation of such exemption is provided). A copy of the Respondent's Form ADV, Parts 1 and 2 is required.
3. The Proposer must be willing to act as fiduciary to the BFDRA.
4. The Proposer must provide certificate of insurance to evidence appropriate insurance coverage.

VII. PROJECTED TIMETABLE

Proposals for providing the consulting services must be received by **Sofia Anastopoulos** of **Public Funds Consulting** in email form at the following email address:

sofia@pfundsconsulting.com

Proposals are due by 10:00 a.m., December 10, 2015.

Timetable

Event	Date
RFP Issuance	November 12, 2015
Written Questions Submission	4:00 p.m., November 30, 2015
Answer Response Issued	December 4, 2015
Proposals Due	10:00 a.m., December 10, 2015

Finalist Notification
In-person Interviews with Finalists
Award Notification

January 4, 2016
week of January 11, 2016
January 20, 2016

This timeline is subject to change. Any questions regarding the request for proposals should be directed to **Sofia Anastopoulos**, via email at:

sofia@pfundsconsulting.com

VIII. SCOPE OF SERVICES

Under the direction of the Board of the BFDRA, the selected Consultant will provide the following services:

Investment Policy Review

Review and suggest modifications to the BFDRA's current investment policy which can be found in **Appendix C**.

Allocation and Structural Analysis

Review and advise on the BFDRA's current asset allocation mix, including on the addition or deletion of asset classes. The BFDRA has not undertaken a formal asset allocation analysis. The Proposer should present a written plan to establish a target asset mix in the context of the BFDRA's actuarial assumed rate of return, taking into account the assets and liabilities of the BFDRA and appropriate risk levels as well as the asset allocation of comparable pension funds. This analysis should be based on the long-term market outlook, global economic trends and the current actuarial study performed by the BFDRA's actuary which can be found in **Appendix D**.

In addition to incorporating both the asset and liability side of the equation, the asset allocation study should consider the following objectives:

- Maintaining a fully funded pension plan
- Minimizing contribution volatility year to year
- Achieving surplus assets

Current Performance Analysis/Manager Review

Prepare and present a comprehensive investment analysis and evaluation of the two managers that the BDFRA currently uses to manage the Pension Fund. Historically, the BFDRA self-managed its assets, and gradually transitioned management to the SBI and in 2008 added the Parr Group. A summary of the portfolios managed by the SBI and the Parr Group of Wells Fargo, and of the entire portfolio is presented in **Appendix E**.

Reporting

If the BDFRA selects to engage the Consultant on an on-going basis (and not the alternative of a one-time review), the Proposer will be expected to provide monthly, quarterly and annual comprehensive performance reports of each manager and the overall portfolio.

Other

As well, if the on-going relationship option is selected by the Board, the Consultant may be assigned additional projects including assistance with selection of investment managers.

IX. SUBMITTAL REQUIREMENT

1. Title page (name, address, phone, contact person, date)
 2. Table of contents
 3. Statement of the proposal (work, timetable, availability)
 4. Completion of Questionnaire
 - a. Technical component of consultant's/firm's profile/history/experience/client references
 - b. Fees and method of payment for each of the alternatives being considered
- THE PRICING SECTION SHOULD BE SUBMITTED AS A SEPARATE DOCUMENT MARKED CONFIDENTIAL.**
5. Acknowledgement of Receipt of Addenda, if any
 6. Statement of Non-Collusion

X. SUBMISSION OF PROPOSAL

Each Proposer shall submit one (1) electronic copy (Microsoft Word or Adobe Acrobat format preferred) of the Proposal not later than **10:00 A.M., CDT, Thursday, December 10, 2015**. Proposals shall be emailed to **Sofia Anastopoulos** at email address:

sofia@pfundsconsulting.com

A person who is authorized to legally bind the responding Proposer must sign the Proposal. The Proposer shall acknowledge that the Proposal complies with any amendments, alterations or deletions to the RFP.

It will be the sole responsibility of the Proposer to have its Proposal emailed before the closing deadline. Late Proposals will not be considered.

Any Proposal may be withdrawn or modified prior to the scheduled deadline for submitting Proposals. After the submittal deadline, Proposer may not modify, withdraw or cancel their Proposals for a minimum of ninety (90) days following that date.

The BFDRA reserves the right to reject any or all Proposals or parts of Proposals, to accept part or all of Proposals on the basis of considerations other than lowest cost, and to create a project of lesser or greater expense than described in this RFP or the respondent's reply based on the component prices submitted.

-

The BFDRA reserves the right to waive irregularities in the Proposal content or to request supplemental information from Proposers.

The BFDRA is not responsible for any costs incurred by the responding Vendors in the preparation of Proposals or for any other cost to the Vendor associated with responding to the RFP. No reimbursement will be made by the BFDRA for any costs incurred prior to a formal notice to proceed should an award of contract result from this solicitation. This RFP does not obligate the BFDRA to award a contract or complete any specific Project. The BFDRA reserves the right to cancel this solicitation or to change its scope if it is considered to be in the best interest of the BFDRA.

All plans and Proposals submitted in response to the RFP will be retained by the BFDRA and not returned.

Clarifications, Exceptions, and Addenda

The BFDRA reserves the right to contact Vendors individually for the purpose of clarifying Proposals.

Vendors may find instances where they are unable to provide services that meet all of the expectations defined in this RFP. In such cases, the Vendor should identify the areas where the Vendor believes the requested service or product is not available, deviates from the specific requests, or is deemed to be an unwise or unwarranted approach. The Vendor will describe exceptions to the RFP and identify their impact to the BFDRA, including, but not limited to, workarounds, reductions in performance, capacity, flexibility, accuracy, and ultimately cost and value. The BFDRA reserves the right to disallow exceptions it finds are not in the best interests of the BFDRA.

Any and all exceptions to the requirements of this RFP must be identified and fully explained in the submitted Proposal.

Any addenda to this RFP will be issued in writing; no oral statements, explanations, or commitments shall be provided. If any addenda are issued, Vendors should return the Confirmation of Receipt of Addenda with their Proposals.

XI. PROPOSAL EVALUATIONS

The proposals will be evaluated on the basis of the following criteria:

Weight	Component	Description
20%	Fit	General scope of work
15%	Fit	Quality, clarity, and responsiveness of proposal
30%	Qualifications/ Experience	Proposer's experience
10%	Qualifications/ Experience	References
25%	Cost	Pricing

The firm submitting the selected proposal will be required to sign an agreement with the BDFRA based on its Proposal. A sample contract that the BDFRA requires is presented in **Appendix H**. All parties who submit proposals will be notified by email of the BFDRA's decision regarding selection.

XII. QUESTIONNAIRE

Large, boilerplate proposals and general brochures are discouraged. The BFDRA prefers concise, pertinent information responsive to this request for proposal.

A. General Information – Investment Consultant Background and Organization

1. Address from which consulting will be provided the BFDRA.
2. Does the firm have offices at other locations?
3. Website address for investment consulting area.
4. Provide a brief history of your firm, including year of organization and your history in investment consulting.
5. Please describe the ownership structure of your firm, which includes the firm, parent company, any affiliated companies or joint ventures.
6. Please provide a chart showing organizational structure of your firm.
7. Is your firm registered with SEC? If so, please provide us with a copy of your most recently filed Form ADV, Parts 1 and 2A. If not, what is your firm's fiduciary classification as defined by Employee Retirement Income Security Act of 1974 (ERISA)?

8. How many years has your firm been providing investment consulting services to public pension plans?
9. Describe your financial condition and include audited financial statements for the two most recent annual reporting periods.
10. Describe any SEC or any other regulatory censure or litigation within the past three (3) years involving public pensions or governmental entities or any other regulatory censure or litigation involving any individuals in your firm for the past five (5) years.
11. Does your firm currently have any outstanding litigation? If so, please explain.
12. Describe your firm's primary area of expertise.
13. What services does your firm render other than investment consulting?
14. Please provide a breakdown of revenue by line of business.
15. Identify the types of consulting engagements primarily sought by your firm.
16. Describe specifically, but briefly, your experience with:
 - a. Retirement plans comparable in size to the assets of the BFDRA.
 - b. State, county, or city governmental pension clients.
17. Describe your firm's investment consulting experience and capabilities in providing services similar to those detailed in this RFP. Be specific and identify for whom the service was provided.
18. Describe your firm's level of familiarity with MN State Statutes governing Relief Association operations and investment considerations.

B. Insurance

1. Please describe the levels of coverage for errors and omissions insurance and any other fiduciary or professional liability insurance your firm carries. Is the coverage on a per client basis, or is the dollar figure applied to the firm as a whole? List the insurance carriers supplying the coverage.

C. Conflicts of Interest

1. Provide a copy of your Code of Ethics. Does your firm and employees comply with the Code of Ethics and Standards of Professional Conduct of the CFA Institute?

2. Describe any services your firm or any of its affiliates provides for investment management firms, fund-of-funds, or broker-dealers. Do you hold conferences for investment managers?
3. List the three largest revenue payments your firm may have received, if any, from an investment management firm over the past three (3) years?
4. Explain any potential conflict your firm may have in servicing the BFDRA. Describe procedures in place for mitigating such potential conflicts of interest.

D. Personnel

1. How many full time staff are employed by your firm? How many are in the investment consulting or research group (as opposed to relationship management)?
2. Provide resumes and biographical information on the investment professionals that will be directly involved in the BFDRA engagement. Include the number of years at your firm, total years of consulting experience, and professional licenses and designation.
3. Information of key contact:

Name	
Address	
Telephone Number	
Fax Number	
Email Address	

4. List the number of the firm’s employees with specific expertise in the areas listed below:

Investment Policy Review _____
 Asset Allocation _____
 Actuarial Analysis _____
 Economic Forecasting _____
 Performance Attribution _____
 Manager Evaluation _____

5. Explain how the team dedicated to the BFDRA would function, including primary Consultant(s), as well as support services.

6. Describe your back-up procedures in the event the key personnel assigned to the BFDRA should leave the firm.
7. Please describe your firm's compensation policies for investment professionals.

E. Asset Allocation Reviews

1. What is your firm's experience in undertaking asset allocation studies?
2. Please provide examples of four (4) similar pension accounts your firm has undertaken a review for over the past two (2) years.
3. Describe the theory, and methodology of the asset allocation models the firm employs.
4. Describe your definition of risk and strategies that have been recommended to mitigate risk.
5. Discuss your process for analyzing a client's investment portfolio structure. Describe the process for recommending modifications to the portfolio structure as warranted by changes in the long-term expectations of asset markets. Provide examples of such recommendations made to clients and the underlying reasons.
6. Describe your firm's views on active vs. passive management and when it may be appropriate to use each and how to determine the optimum mix.
7. Which of BFDRA's asset classes do you view as candidates for indexing?
8. Describe, in general, the methods for determination of capital market assumptions:
 - a. How are risk, return and correlation determined for the asset allocation model?
 - b. How often are the numbers updated?
 - c. How do your assumptions differ from the market consensus?
9. What is your methodology for incorporating liabilities into asset/liability studies?
10. What systems does your firm provide that are accessible to clients to evaluate the impact of different scenarios on their funded status?

F. Manager Performance Evaluation

1. Please describe the firm's process for reviewing individual manager portfolio performance.

- Describe the databases, universes and benchmarks you typically utilize.

G. Client Coverage and References

- Using a table format similar to that below, what is the distribution of clients. Provide the number and percentages of clients. Explain if the firm's client base is heavily weighted to any particular type of investor.

TABLE A

	Client Type	Number	Percentage of Assets
	Public Pension Funds		%
	Corporate Pension Funds		%
	Endowments		%
	Other		%

- Using a table format similar to that below, what is the distribution of your public pension clients by asset size. Provide the number and percentages of clients. Explain if the firm's client base is heavily weighted to any particular size of investor.

TABLE B

	Public Pension Size	Percentage of Assets
	≤ \$10 million	%
	\$10 million ≤ \$100 million	%
	\$100 million ≤ \$250 million	%
	\$250 million ≤ \$500 million	%
	\$500 million +	%

- Please provide four (4) references for which the firm has provided similar services.

Client	
Contact Name, Title	
Phone, Email	
Contract Term	
Services Provided	

Client	
Contact Name, Title	
Phone, Email	
Contract Term	

Services Provided	
-------------------	--

Client	
Contact Name, Title	
Phone, Email	
Contract Term	
Services Provided	
Client	
Contact Name, Title	
Phone, Email	
Contract Term	
Services Provided	

4. Please describe any relationships that were terminated or not renewed in the last three (3) years with reasons for termination or non-renewal.

H. Additional Information

1. Does your firm have a business continuity plan?
2. Does your firm contemplate using the services of a subcontractor on the BFDRA engagement? If so, on what portions of the contract?
3. What is your firm’s competitive advantage?

I. Pricing

THE PRICING SECTION SHOULD BE SUBMITTED AS A SEPARATE DOCUMENT MARKED CONFIDENTIAL.

Please submit pricing proposals for the two alternatives the BFDRA is considering:

1. For a one-time special review of the BFDRA’s investment policy, asset allocation and manager evaluation.
2. An on-going investment consulting relationship in which proposer would provide investment policy, asset allocation reviews, manager review and selection, periodic reporting of managers and of entire portfolio, and other related services for an initial three (3) year term with two (2) one (1) year renewal options.

For each option, provide the following:

1. State the total fee and fee basis for providing the services described in this RFP. Include the hourly rates of any individuals who would be assigned to this account if BFDRA were to be billed on that basis. Describe all fees and charges relating to your role as investment consultant.
2. What expenses would not be covered in the pricing submitted in the above question, but expected in order to implement your services?
3. Explain how travel expenses and other out-of-pocket expenses will be billed, if not included in your fee quote.

XIII. CONTRACT AWARD

Negotiations and Contract Execution

The BFDRA reserves the right to negotiate the final terms and conditions of the contract to be executed. In the event the BFDRA and the Vendor are unable to agree upon all contract provisions, the BFDRA reserves the right to cease negotiations, and to move on to select another vendor, or to reject all Proposals.

Contracting Ethics

1. No elected officials or employees of the BFDRA or of the City of Bloomington who exercise any responsibility in the review, approval, or implementation of the Proposal shall participate in any decision which affects his or her direct or indirect financial interests.
2. It is a breach of ethical standards for any person to offer, give, or agree to give any BFDRA employee or Trustee, or for any City employee or Council person to solicit, demand, accept, or agree to accept from another person or agency, a gratuity or an offer of employment whenever a reasonable prudent person would conclude that such consideration was motivated by an individual, group, or corporate desire to obtain special, preferential, or more favorable treatment than is normally accorded the general public.
3. The Vendor shall not assign any interest in this contract and shall not transfer any interest in the same without the prior written consent of the BFDRA.
4. The Vendor shall not accept any private client or project that may place it in ethical conflict during its representation of the BFDRA.

XIV. CONTRACT TERMS AND CONDITIONS:

A sample copy of the BFDRA's contract can be found as **Appendix H**.

The following clauses will be included in any contract between the BFDRA and the Contractor that has been chosen to provide the services described herein and in the Contractor's Proposal.

Contract Term

The Agreement will be effective the date the Agreement is signed by both the BFDRA and the Contractor and will expire upon completion of the services covered by the Agreement. The Agreement may be terminated by the BFDRA or the Contractor upon thirty (30) days written notice of such termination. In the event of termination of the Agreement, there shall be no further obligation on the part of the BFDRA to the Contractor save and except for payment of sums due and owing for expenses and work incurred by the Contractor prior to the date of termination.

Independent Contractor

It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the parties hereto or as constituting the Contractor as the agent, representative or employee of the BFDRA for any purpose or in any manner whatsoever. The Contractor is to be and shall remain an independent contractor with respect to all services performed under this contract.

The Contractor represents that it has, or will secure at its own expense, all personnel required in performing services under this contract. Any and all personnel of the Contractor or other persons while so engaged, and any and all claims whatsoever on behalf of any such person or personnel arising out of employment or alleged employment including, without limitation, claims of discrimination against the Contractor, its officers, agents, contractors or employees shall in no way be the responsibility of the BFDRA; and the Contractor shall defend, indemnify and hold the BFDRA, its officers, agents and employees harmless from any and all such claims regardless of any determination of any pertinent tribunal, agency, board, commission or court. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from the BFDRA, including, without limitation, tenure rights, medical and hospital care, personal and vacation leave, workers' compensation, unemployment compensation, disability, severance pay and Public Employees Retirement Association.

Assignment

Neither party shall assign the executed Agreement, or any interest arising therein, without the written consent of the other party.

Rights of Use

The Contractor agrees that the BFDRA will own and have the right to use, reproduce and apply as it desires, any data, reports, analyses and materials which are collected or developed by the Contractor or anyone acting on behalf of the Contractor as a result of this contract.

Nondiscrimination Clause

During the performance of this Agreement, the Contractor will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry,

national origin, sex, sexual orientation, disability, age, marital status, or status with regard to public assistance. The Contractor will take affirmative action to ensure that all employment practices are free of such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

Indemnification

The Contractor shall defend, indemnify and hold harmless the BFDRA and its officials, agents, and employees, and City employees from and against all claims, damages, losses, and expenses, including attorney's fees arising out of or resulting from the successful Contractor's, including the successful Contractor's officials, agents, employees and sub-contractors, performance of the duties required under the Agreement, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease, death, or to the injury to or the destruction of property, including a loss of use resulting therefrom, and is caused in whole or in part by any negligent act or omission or willful misconduct of the Contractor.

Conflict of Interest

Contractor agrees that no member, officer, or employee of the BFDRA or of the City shall have any interest, direct or indirect, in the executed Agreement or the proceeds thereof. Violation of this provision shall cause the executed Agreement to be null and void and the Contractor will forfeit any payments to be made under the executed Agreement.

Entire Agreement

The executed Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the parties relating to the subject matter hereof. Any alterations, amendments, deletions, or waivers of the provisions of the executed Agreement shall be valid only when expressed in writing and duly signed by the parties, unless otherwise provided herein. The provisions of the executed Agreement are severable. If any portion hereof and in the executed Agreement is, for any reason, held by a court of competent jurisdiction, to be contrary to law, such decision shall not affect the remaining provisions of the same Agreement. Any waiver by either party of a breach of any provisions of the executed Agreement shall not affect, in any respect, the validity of the remainder of the executed Agreement.

ADA

The Contractor agrees to comply with the Americans with Disabilities Act Section 504 of the Rehabilitation Act of 1973 and not discriminate on the basis of disability in the admission or access to, or treatment of employment in its services, programs, or activities. The Contractor agrees to hold harmless and indemnify the BFDRA from costs, including but not limited to damages, attorney's fees, and staff time, in any action or proceeding brought alleging a violation of ADA and/or Section 504 caused by the Contractor.

Sub-Contractor Payment

The Contractor agrees that it must pay any sub-contractor within ten (10) days of the prime contractor's receipt of payment from the municipality for undisputed services provided by the sub-contractor. The Contractor agrees that it must pay interest of 1-1/2 percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the sub-contractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the prime contractor shall pay the actual penalty to the sub-contractor. A sub-contractor who prevails in a civil action to collect interest penalties from a prime contractor must be awarded its costs and disbursements, including attorney's fees, incurred in bringing the action.

Audit

All books, records, documents and accounting procedures and practices of the successful Contractor relevant to the Agreement shall, pursuant to Minnesota Statutes, Section 16C.05, subdivision 5, be subject to examination at all times by the City and/or by the Legislative Auditor or State Auditor.

Laws

The Contractor will comply with all applicable local, state, and Federal laws, ordinances and regulations in the performance of the Agreement. The Contract will comply with and be governed by all laws of the State of Minnesota. Any violation shall constitute a material breach of the executed Agreement.

Human Rights

The Contractor agrees to comply with the Minnesota State Human Rights Act, Minnesota Statute Section 363.

Data Practices

The Contractor will comply with all applicable provisions of the Minnesota Government Data Practices Act, Chapter 13, of the Minnesota Statutes.

Mediation

The BFDRA and the Contractor agree to submit all claims, disputes and other matters in question between the parties arising out of or relating to this Agreement to mediation. The mediation shall be conducted through the Conflict Resolution Center, 2101 Hennepin Ave. S, Suite 100, Minneapolis, MN 55405. The parties hereto shall decide whether mediation shall be binding or non-binding. If the parties cannot reach agreement, the mediation shall be non-binding. In the event mediation is unsuccessful; either party may exercise its legal or equitable remedies and may commence such action prior to the expiration of the applicable statute of limitations.

Policy Compliance

The Contractor agrees, as a condition of being awarded this Agreement, to require each of its agents, officers and employees to abide by the BFDRA's policies prohibiting sexual harassment, firearms and smoking, as well as all other reasonable work rules, safety rules or

policies regulating the conduct of persons on City property at all times while performing duties pursuant to this Agreement. The Contractor agrees and understands that a violation of any of these policies or rules constitutes a breach of the Agreement and sufficient grounds for immediate termination of the Agreement by the BFDRA.

Signature/Execution

The person signing this Agreement (hereafter “Signatory”) represents and warrants that the Contractor has authorized him/her to execute this Agreement on its behalf and agrees to be bound by its terms and conditions, including the agreement of the Contractor to indemnify and hold the BFDRA harmless. In the event the Contractor did not authorize the Signatory to sign on its behalf, the Signatory agrees to assume responsibility for the duties and liability of the Contractor, as set forth herein, personally.

Termination

The Agreement may be terminated for any reason upon giving thirty (30) days advanced written notice to the other party. In the event of termination of the Agreement, there shall be no further obligation on the part of the BFDRA to the Contractor except for payment of sums due and owing for expenses and work incurred by the Contractor prior to the date of termination. The BFDRA reserves the right to cancel this Agreement at any time in the event of default or violation by the Contractor of any provision of the Agreement. The BFDRA may take whatever action at law or in equity that may appear necessary or desirable to collect damages arising from a default or violation or to enforce performance of the Agreement.

APPENDICES

- A. BFDRA Investment Policies**
- B. Minnesota Statute 356A.06**
- C. BFDRA Annual Report 2014**
- D. January 1, 2015 Actuarial Study**
- E. BFDRA Portfolio**
- F. Confirmation of Receipt of Addenda**
- G. Statement of Non-Collusion**
- H. Sample Contract to be Awarded**

APPENDIX A

CITY OF BLOOMINGTON FIRE RELIEF ASSOCIATION (“FIRE RELIEF”) Investment Policies



Investment
Policy.11.10.15.pdf

APPENDIX B

Minnesota Statute 356A.06



Adobe Acrobat
PDFXML Document

Minnesota Statute 356A.06

APPENDIX C

**BLOOMINGTON FIRE DEPARTMENT RELIEF ASSOCIATION
BLOOMINGTON, MINNESOTA
ANNUAL REPORT
For the Year Ended December 31, 2014**



Adobe Acrobat
Document

BFDR Annual Report December 31, 2014

APPENDIX D

**BLOOMINGTON FIRE DEPARTMENT RELIEF ASSOCIATION
BLOOMINGTON, MINNESOTA
January 1, 2015 Actuarial Valuation**



Adobe Acrobat
Document

January 1, 2015 Actuarial Valuation

APPENDIX E

BFDR A Portfolio Summary

Parr Group of Wells Fargo
SBI
Total Portfolio



Adobe Acrobat
Document

BFDR A Portfolio

APPENDIX F

CONFIRMATION OF RECEIPT OF ADDENDA

Addendum #	Date

I certify this Proposal complies with the specifications and conditions issued by the City except as clearly marked in the attached copy.

Date	
Name	
Authorized Signature	
Title	
Company Name	
Address	
City, State	
Zip Code	
Telephone Number	
Fax Number	
E-mail	

APPENDIX G

STATEMENT OF NON-COLLUSION

The following statement shall be made as part of the Contractor's proposal.

I affirm that I am the Contractor, a partner of the consulting Contractor, or an officer or employee of the Contractor's corporation with authority to sign on the Contractor's behalf.

I also affirm that the attached has been compiled independently and without collusion or agreement, or understanding with any other vendor designed to limit competition.

I hereby affirm that the contents of this Proposal have not been communicated by the Contractor or its agent to any person not an employee or agent of the City.

Signed

Print Name

Title

Date

Contractor Name

Address

City / State / Zip Code

Telephone and Fax Numbers

Email Address

APPENDIX H

SAMPLE CONTRACT TO BE AWARDED

AGREEMENT BETWEEN THE BFDRA
AND _____ FOR

THIS AGREEMENT is made this _____ day of _____ 2013, between the of
Bloomington Fire District Relief Association xxxxxxxxxx located at 1800 West Old Shakopee Road,
Bloomington, Minnesota 55431 (hereinafter referred to as the "BFDRA"), and
_____, located at
_____ (hereinafter referred to as the "Contractor").

WITNESSETH

WHEREAS, the BFDRA desires to secure a contract to furnish and deliver of
_____ in the City of Bloomington has a need for a Consultant on the
_____ Project (hereinafter referred to as the "Project"); and

WHEREAS, the Consultant represents that it has the professional expertise and capabilities to
provide the necessary labor, materials, equipment and supplies to perform the Project; and

WHEREAS, the BFDRA desires to have the Consultant furnish all labor and materials to
complete the _____; and

NOW, THEREFORE, in consideration of the terms and conditions expressed herein, the parties
agree as follows:

I. TERM OF AGREEMENT

The term of this Agreement shall commence on the date an executed Agreement is received by
the Contractor and expire upon completion of all the terms and conditions of this Agreement, subject to
termination as provided in Subdivision V.

II. DUTIES OF CONTRACTOR

A. The Contractor shall _____ (type of service) for the not-to-
exceed amount of _____ AND NO/100 DOLLARS (\$_____). All
requests for payment from the BFDRA approved budget for out of scope items will be presented to the

BFDRA in the form of a change order and must be approved by the Board. After this Agreement has been fully executed by both parties, the BFDRA will pay Contractor when the _____ (services) have been fully performed and accepted by the BFDRA.

B. The Contractor agrees to complete the Project, as proposed, and perform all other terms and conditions according to the BFDRA's Request for Proposals and the Contractor's Proposal, incorporated by reference herein as Exhibits A and B

C. The Contractor shall defend, indemnify and hold harmless the BFDRA, its officials, employees and agents, from any and all claims, causes of action, lawsuits, damages, losses, or expenses, including attorney fees, arising out of or resulting from the Contractor's (including its officials, agents or employees) performance of the duties required under this Agreement, provided that any such claim, damages, loss or expense is attributable to bodily injury, sickness, diseases or death or to injury to or destruction of property including the loss of use resulting therefrom and is caused in whole or in part by any negligent act or omission or willful misconduct of Contractor.

D. It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of copartners between the parties hereto or as constituting the Contractor's staff as the agents, representatives or employees of the BFDRA for any purpose in any manner whatsoever. The Contractor and its staff are to be and shall remain an independent contractor with respect to all services performed under this Agreement. The Contractor represents that it has, or will secure at its own expense, all personnel required in performing services under this Agreement. Any and all personnel of the Contractor or other persons, while engaged in the performance of any work or services required by the Contractor under this Agreement, shall not be considered employees of the City, and any and all claims that may or might arise under the Workers' Compensation Act of the State of Minnesota on behalf of said personnel or other persons while so engaged, and any and all claims whatsoever on behalf of any such person or personnel arising out of employment or alleged employment including, without limitation, claims of discrimination against the Contractor, its officers, agents, contractors or employees shall in no way be the responsibility of the City; and the Contractor shall defend, indemnify and hold the BFDRA, its officers, agents and employees harmless from any and all such claims regardless of any determination of any pertinent tribunal, agency, board, commission or

court. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from the BFDRA, including, without limitation, tenure rights, medical and hospital care, sick and vacation leave, Workers' Compensation, Unemployment Compensation, disability, severance pay and PERA.

E. The parties agree to comply with the Minnesota State Human Rights Act, Minnesota Statutes Section 363.

F. The Contractor shall maintain insurance coverage listed below throughout the term of this Agreement:

1. Commercial General Liability:

- a. Bodily injury in the amount of at least \$500,000 per individual and \$1,500,000 per occurrence for any injuries, including death, arising out of each occurrence.
- b. Property damage liability in the amount of \$1,500,000 for each occurrence
- c. The Contractor further agrees to name the City as additional insured on said insurance policies
- d. Contractor may combine Commercial General Liability and Umbrella coverages to meet this requirement.

2. Automobile Liability

- a. Bodily injury in the amount of at least \$500,000.00 per individual and \$1,500,000.00 per occurrence for any injuries, including death, arising out of each occurrence
- b. Property damage coverage of \$1,500,000.00 for each occurrence

3. Workers' Compensation Insurance as required by Minnesota Statutes, Section 176.181, subdivision. 2.

4. Professional insurance.

Consultant agrees to maintain professional liability insurance in the amount of \$1,000,000 annual aggregate during the term of this Agreement.

The Contractor agrees to provide a certificate of said insurance to the BFDRA prior to commencing work on the Project. The Contractor agrees to notify the BFDRA thirty (30) days prior to cancellation, non-renewal, or a change in any of the aforementioned insurance policies. All insurance must be provided at the Contractor's expense and at no additional cost to the BFDRA.

G. The Contractor agrees that the BFDRA will own and have the right to use, reproduce and apply as it desires any data, reports, analyses, and materials which are collected or developed by the Contractor or anyone acting on behalf of the Contractor as a result of this Agreement.

J. Consultant shall retain its rights in its standard drawing details, designs, specifications, databases, computer software and any other proprietary property. Rights to intellectual property developed, utilized, or modified in the performance of the services shall remain the property of the Consultant. Consultant has no objection to the BFDRA reusing the drawings and documents in its possession from the Consultant with the limitations specified in Paragraph G of this Agreement.

III. DUTIES OF THE BFDRA

After both parties have signed this Agreement and after the completion and acceptance of Contractor's performance of the duties under this Agreement, the BFDRA shall pay the Contractor the not-to-exceed sum of _____ (\$_____).

Payments to the Contractor will be made within thirty (30) days of receipt of invoice from Contractor.

IV. MISCELLANEOUS

A. This Agreement represents the entire Agreement between the Contractor and the BFDRA and supersedes and cancels any and all prior agreements or proposals, written or oral, between the parties relating to the subject matter hereof; and amendments, addenda, alterations, or modifications to the terms and conditions of this Agreement shall be in writing and signed by both parties.

B. The Contractor agrees to comply with the Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973 and not discriminate on the basis of disability in the admission or access to, or treatment of employment in its services, programs, or activities. The Contractor agrees to hold harmless and indemnify the BFDRA from costs, including but not limited to damages, attorney's fees and staff time, in any action or proceeding brought alleging a violation of ADA

and/or Section 504 caused by the Contractor. Upon request accommodation will be provided to allow individuals with disabilities to participate in all services, programs and activities. The City has designated coordinators to facilitate compliance with the Americans with Disabilities Act of 1990, as required by Section 35.107 of the U.S. Department of Justice regulations, and to coordinate compliance with Section 504 of the Rehabilitation Act of 1973, as mandated by Section 8.53 of the U.S. Department of Housing and Urban Development regulations.

C. The Contractor will comply with all applicable provisions of the Minnesota Government Data Practices Act, Chapter 13 of the Minnesota Statutes.

D. The Contractor agrees to comply with all applicable local, state and Federal laws, rules and regulations in the performance of the duties of this contract.

E. This Agreement shall not be assignable except with the written consent of the BFDRA.

F. The books, records, documents, and accounting procedures of the Contractor, relevant to this Agreement, are subject to examination by the BFDRA, and either the legislative or state auditor as appropriate, pursuant to Minnesota Statutes, Section 16C.05 Subdivision 5.

G. The BFDRA and the Contractor agree to submit all claims, disputes and other matters in question between the parties arising out of or relating to this Agreement to mediation. The mediation shall be conducted through the Conflict Resolution Center, 2101 Hennepin Ave. S, Suite 100, Minneapolis, MN 55405. The parties hereto shall decide whether mediation shall be binding or non-binding. If the parties cannot reach agreement, mediation shall be non-binding. In the event mediation is unsuccessful, either party may exercise its legal or equitable remedies and may commence such action prior to the expiration of the applicable statute of limitations.

H. The Contractor agrees that it must pay any subcontractor within ten (10) days of the prime contractor's receipt of payment from the municipality for undisputed services provided by the subcontractor. The Contractor agrees that it must pay interest of 1-1/2 percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the prime contractor shall pay the actual penalty due to the subcontractor. A

subcontractor who prevails in a civil action to collect interest penalties from a prime contractor must be awarded its costs and disbursements, including attorneys fees, incurred in bringing the action.

I. The Contractor agrees this Agreement will be governed by the laws of the State of Minnesota.

J. The Contractor agrees, as a condition of being awarded this Contract, to require each of its agents, officers and employees to abide by the City of Bloomington's policies prohibiting sexual harassment, firearms and smoking, as well as all other reasonable work rules, safety rules or policies regulating the conduct of persons on City property at all times while performing duties pursuant to this contract. The Contractor agrees and understands that a violation of any of these policies or rules constitutes a breach of the contract and sufficient grounds for immediate termination of the Contract by the City.

K. The Contractor agrees to the following:

(1) that, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no contractor, material supplier, or vendor, shall, by reason of race, creed, or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates;

(2) that no contractor, material supplier, or vendor, shall, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause (1) of this section, or on being hired, prevent, or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed, or color;

(3) that a violation of this section is a misdemeanor; and

(4) that this contract may be canceled or terminated by the City, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this contract.

L. The person signing this Agreement (hereafter "Signatory") represents and warrants that the Contractor has authorized him/her to execute this Agreement on its behalf and agrees to be bound by its terms and conditions, including the agreement of the Contractor to indemnify and hold the City harmless. In the event the Contractor did not authorize the Signatory to sign on its behalf, the Signatory

agrees to assume responsibility for the duties and liabilities of the Contractor, as set forth herein, personally.

V. TERMINATION

Either party may terminate this Agreement for any reason upon giving thirty (30) days advanced written notice to the other party.

The BFDRA reserves the right to cancel this Agreement at any time in event of default or violation by the Contractor of any provision of this Agreement. The BFDRA may take whatever action at law or in equity that may appear necessary or desirable to collect damages arising from a default or violation or to enforce performance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

BLOOMINGTON FIRE DISTRICT RELIEF
ASSOCIATION

DATED _____ BY _____
Its: President

DATED _____ BY _____
Its:

_____(CONTRACTOR)

DATED _____ BY _____
Its: _____