

**METROPOLITAN WATER RECLAMATION DISTRICT
OF GREATER CHICAGO**

**REQUEST FOR PROPOSAL
ENTITLED**

**DEFERRED COMPENSATION PLAN
ADMINISTRATIVE SERVICES**

PROPOSAL 19-RFP-04

DATE OF ADVERTISEMENT: Wednesday, January 30, 2019

PROPOSALS TO BE RECEIVED BY 11 A.M.: Friday, March 1, 2019

NOTICE
**REQUEST FOR PROPOSAL
TO
METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO**

Deferred Compensation Plan Administrative Services

19-RFP-04

PROPOSALS ARE DUE: Friday, March 1, 2019

The Metropolitan Water Reclamation District of Greater Chicago (“District”) requests proposals from any prospective Proposer for the above captioned subject which is described in document 19-RFP-04.

Sealed proposals will be received until 11:00 A.M. CDT on the proposal due date, at the bid depository safe located in the lobby of the Metropolitan Water Reclamation District Administration Building, 100 East Erie Street, Chicago, Illinois 60611. No proposals will be accepted after 11:00 A.M. on the above-scheduled due date.

All proposals faxed, or electronically submitted, to the Metropolitan Water Reclamation District of Greater Chicago will be deemed non-responsive, rejected, and returned to the Proposer. Proposals transmitted by U.S. mail or other delivery will be considered only when said proposals are in the bid depository safe at the time fixed for receiving said proposals. The District does not guarantee that proposals received by mail or other delivery will be deposited in the bid depository safe in time for the scheduled due date and time.

Return Request for Proposal submission to:

Sealed Bid Depository, MOB Lobby
Metropolitan Water Reclamation District of Greater Chicago
100 E. Erie Street
Chicago, Illinois 60611
Proposal For: Contract 19-RFP-04

The District is seeking a qualified firm to provide administrative services for its 457 Deferred Compensation Plan including recordkeeping/administration; investment management; communication/education, including onsite education; advisory services; and custodial trustee services. A complete description of the required services is provided in the proposal document, Section II, *Scope of Work*. The contract for these services will be for the period January 1, 2020 through December 31, 2024.

No bid deposit is required.

Copies of the Request for Proposal are **ONLY AVAILABLE** online from the District’s website at www.mwrd.org (Quick Links→Contracts and Proposals→For Contracts Being Currently Advertised). No fee is required for the Request for Proposal documents. The complete RFP comprises eight (8) downloads:

1. RFP Document (beginning with the title page through Appendix K, Sample Agreement)
2. Appendix A – Cost Proposal (fillable Microsoft Word document)
3. Appendix E – Administrative Services Questionnaire (fillable Microsoft Word document)
4. Appendix F – Investment Management Services Questionnaire (fillable Microsoft Word document)
5. Appendix G – Certification of Minimum Qualifications (fillable Microsoft Word document)
6. Appendix H – Deferred Compensation Plan Document (Reference document only)
7. Appendix I – Deferred Compensation Plan Investment Policy (Reference document only)
8. Appendix J – Retirement Health Savings Plan Document (Reference document only)

Any questions regarding downloading Request for Proposal documents should be directed to (312) 751-6643.

A total of five (5) copies of the Request for Proposal must be submitted, one (1) original signature set and four (4) copies. The original signature set of the Cost Proposal documentation shall be submitted in a separate sealed envelope. Do not include the Cost Proposal in the five (5) copies. All Proposers must include one (1) CD-ROM or flash drive containing the proposal response including all appendices with the exception of Appendix A: Cost Proposal, which must be excluded from all files submitted. All files saved on the electronic storage media must be in PDF format, and must not contain viruses or programmed instructions from the Proposer. The original hardcopy proposals will be reviewed as the official submittal from the Proposer. The electronic files will be used for archiving purposes only. Proposals received in a format different from that described in this Request for Proposal will not be accepted.

All Proposers shall conform to all the terms and conditions of this Request for Proposal, as stated in this document. Failure to conform to the terms and conditions of the Request for Proposal will render the proposal non-responsive and ineligible for further consideration. A successful Proposer will be required to comply with all applicable Federal and State of Illinois Equal Opportunity Regulations as required.

The District assumes no responsibility for documents sent through the mail. Further, the District assumes no liability or responsibility for the failure or inability of any Proposer to successfully download any and all contract documents, including but not limited to specifications, proposal forms and/or plans, as a result of any type of technological computer and/or software system failure or breakdown that restricts, prohibits or prevents successful downloading of any and all District contract documents by the Proposer, whether caused by the District or other parties, directly or indirectly.

Any potential bidder with questions regarding the meaning of any part of the specifications or other bidding documents should submit such inquiries online at the District's website, www.mwrd.org, under the "Contracts and Proposals" section of the website. The District will provide an online response to such inquiries, as the District deems appropriate. Strings of appropriate questions and answers regarding the bidding documents will be available online on the District's website until the bid opening date of the bidding documents. No questions will be accepted by telephone, fax, email, mail, or any other such form of delivery.

The District does not guarantee the timeliness of responses provided online, nor does the District guarantee that such responses will be provided in adequate time to affect the submission of bids. The District shall provide responses online ONLY if the responses do not interpret or otherwise change the bidding documents.

The District's responses online are NOT official responses and, therefore, are not binding to the bidding documents. Any official interpretation or change to the bidding documents will be made only by addendum duly issued to all plan holders on record by the Director of Procurement and Materials Management.

The District will only respond to questions received online up to ONE WEEK prior to the bid opening date of the bidding documents. The District will not respond to questions received after this date.

The contact person for the request for proposal is James E. Fisher, Human Resources Manager. This contact person will provide online responses to online inquiries.

The District reserves the right to accept any Request for Proposal or any parts thereof or to reject any and all Request for Proposals.

Metropolitan Water Reclamation District of Greater Chicago

By _____
Darlene A. LoCascio
Director of Procurement & Materials Management

Date of Advertisement: Wednesday, January 30, 2019

TABLE OF CONTENTS

| | | |
|--------------|---|-----------|
| I. | BACKGROUND | 5 |
| II. | SCOPE OF WORK | 6 |
| III. | COST PROPOSAL | 13 |
| IV. | VENDOR QUALIFICATIONS | 13 |
| V. | INSURANCE REQUIREMENTS | 18 |
| VI. | PROPOSAL DOCUMENT | 19 |
| VII. | EVALUATION AND SELECTION PROCESS | 21 |
| VIII. | CHECKLIST | 22 |
| IX. | TERMS AND CONDITIONS | 23 |

APPENDICES

APPENDIX A: COST PROPOSAL

APPENDIX B: NON-COLLUSION AFFIDAVIT

APPENDIX C: CERTIFICATION AFFIDAVIT

APPENDIX D: AFFIDAVIT OF OWNERSHIP

APPENDIX E: ADMINISTRATIVE SERVICES QUESTIONNAIRE

APPENDIX F: INVESTMENT MANAGEMENT SERVICES QUESTIONNAIRE

APPENDIX G: CERTIFICATION OF MINIMUM QUALIFICATIONS

APPENDIX H: DEFERRED COMPENSATION PLAN DOCUMENT

APPENDIX I: DEFERRED COMPENSATION PLAN INVESTMENT POLICY

APPENDIX J: RETIREMENT HEALTH SAVINGS PLAN DOCUMENT

APPENDIX K: SAMPLE AGREEMENT

Note: Appendices E, F, G, H, I and J are only available online from the District's website at www.mwrd.org (Quick Links→Contracts and Proposals→For Contracts Being Currently Advertised). Appendices E, F and G are provided as fillable Microsoft Word documents for your convenience. Appendices H, I and J are provided as reference documents only.

I. BACKGROUND

The Metropolitan Water Reclamation District of Greater Chicago (“District”) is an independent government and taxing body encompassing approximately 92% of the land area and 98% of the assessed valuation of Cook County, Illinois. The District was originally organized as the Sanitary District of Chicago in 1889 under an act of the Illinois General Assembly, which has been modified from time to time to increase the District’s powers and jurisdiction. From 1955 through 1988, the District was called the Metropolitan Sanitary District of Greater Chicago. In order to provide a more accurate perception of the District’s current functions and responsibilities, the name was changed effective January 1, 1989, to the Metropolitan Water Reclamation District of Greater Chicago.

The mission of the District is to keep sewage pollution out of Lake Michigan, the area’s drinking water supply; to treat sewage to avoid contamination of the Chicago, Des Plaines, and Illinois Rivers; and to remove obstructions to navigation from these bodies of water. The District, while it exercises no direct control over wastewater collection and transmission systems maintained by cities, towns, and villages in Cook County, does control municipal sewer construction by permits. It also provides the main trunk lines for the collection of wastewater from the location systems together with the treatment and disposal thereof. The District also provides facilities to store, treat, and release combined sewage and stormwater runoff within its jurisdiction.

The District serves an equivalent population of 10.35 million people: 5.25 million real people, a commercial and industrial equivalent of 4.5 million people, and a combined sewer overflow equivalent of 0.6 million people. The District serves an area of 883 square miles, which includes the City of Chicago and 128 suburban communities. The District’s 554 miles of intercepting sewers and force mains range in size from 12 inches to 27 feet in diameter, and are fed by approximately 10,000 local sewer system connections.

The District’s Tunnel and Reservoir Project (TARP) is one of the country’s largest public works projects for pollution and flood control. One hundred nine (109) miles of tunnels, eight (8) to 33 feet in diameter and 150 to 300 feet underground, have been constructed and are in operation.

The District owns and operates one of the world’s largest water reclamation plants, in addition to six other plants and 23 pumping stations. The District treats an average of 1.3 billion gallons of wastewater each day. Its total wastewater treatment capacity is over 2.0 billion gallons per day.

The District controls approximately 76 miles of navigable waterways, which are part of a national system connecting the Atlantic Ocean and the Great Lakes with the Gulf of Mexico.

Beginning in 2005, the District was assigned responsibility for stormwater management for all of Cook County, including areas outside of the District’s corporate boundaries.

The District is governed by a nine-member Board of Commissioners (the “Board”). Commissioners are elected at large and serve on a salaried, part-time basis. The Executive Director, who reports directly to the Board, manages the District’s day-to-day operations.

II. SCOPE OF WORK

A. OVERVIEW

The Metropolitan Water Reclamation District of Greater Chicago (District) is seeking competitive proposals from qualified firms to provide recordkeeping and administration; investment management; communication and education, including onsite education; investment advisory; and custodial trustee services for its Deferred Compensation Plan and Trust.

B. DESCRIPTION OF SERVICES

The services requested in this Request for Proposal (RFP) consist of the following:

Investment Management Services

The District-sponsored Section 457(b) program currently offers fourteen (14) core investment options, a series of twelve (12) additional target-date funds, and a self-directed brokerage account from which participants can choose. The District is looking for a provider that can administer the current variable mutual fund options as specified on page eleven (11) of this RFP. The District has the sole discretion for the selection of the investment options. The Stable Value fund is the only investment option that you can propose an alternative investment product as part of your RFP submission. Funds may be added, replaced and/or deleted at any time during the course of the contract per the terms of the investment policy statement and guidelines.

The District-sponsored plan also offers a Roth 457 Option to participants. This option contains the same investment options available to participants enrolled in the standard 457(b) Deferred Compensation Plan. There are 276 employees maintaining a Roth account with approximately \$4,406,620 in assets.

The Stable Value Option will be available for transfer to your organization's comparable investment product. This fund represents approximately 27.5% or \$73.4 million out of the total of \$267 million in plan assets as of September 30, 2018. The current option, the Prudential Guaranteed Income Fund, has a book value payout within 90 days of contract termination. In its evaluation of proposed stable value funds, the District will consider the exit provisions of each product. If a vendor proposes a general account product, the District's preference would be for a product that has no negative market value adjustment. The investment manager of the general account would be required to provide periodic reports of the book-to-market ratio.

A self-directed brokerage account option is also available to participants. As of September 30, 2018, there are approximately \$2.7 million in assets with 17 participants maintaining an account balance.

Retirement Savings Account Plan

In 2004, the District implemented a Retirement Health Savings Plan to assist employees in saving for health care costs during retirement. The plan allowed participants to accumulate assets to pay for health care premiums during retirement on a tax-free basis. The plan was closed to new contributions on December 31, 2007. Prudential Retirement is currently utilizing ConnectYourCare to administer these accounts. The service provider selected for this contract would be required to continue to manage these accounts. There is no money being contributed to these accounts, only distributions being paid out for qualified expenses. The current fund line-up for these accounts includes: Schwab Target 2010 (SWBRX); Schwab Target 2015 (SWGRX); Schwab Target 2020 (SWCRX); Schwab Target 2025 (SWHRX); and Vanguard Balanced (VBINX). The selected vendor may propose a comparable menu of funds. Plan activity is summarized in the table below:

| | 2018 (9/30) | 2017 | 2016 |
|---------------|-------------|-----------|-----------|
| Participants | 58 | 58 | 58 |
| Assets | \$281,681 | \$309,287 | \$394,576 |
| Distributions | \$27,926 | \$85,289 | \$91,404 |

Implementation Services

The prospective service provider will be required to provide a detailed plan transition strategy along with sample communication materials to explain any new plan changes and enhancements. The potential conversion from the current plan provider to a new provider will require you to provide an explanation of the process, blackout period and reconciliation of plan assets to the individual participant records. It is expected that the prospective service provider will have its participant support personnel in place prior to the actual transition date. Given the expected contract award date of early June 2019, the transition plan should assume a January 1, 2020 go-live date. If you anticipate the transition will extend beyond January 1, 2020, a detailed explanation of why must be provided.

Administration and Recordkeeping Services

The prospective service provider will be required to provide detailed information about its recordkeeping and administrative systems and use of technology. Important factors include the ability to process payroll deductions; monitor compliance; process daily participant transactions; and provide timely and accurate participant statements and financial statements. The service provider must have in place a toll-free customer center, voice response services and internet services that allow participants access to their accounts. The service provider must be able to perform recordkeeping services for all current investment options on a daily basis through an electronic interface. The service provider should place a priority on data security and should have procedures in place to monitor and respond to cyber security threats.

Employee Communication/Education and Enrollment Services

The prospective service provider will be required to provide a comprehensive employee communication and investment education program. Communication services are to be supported by customer service representatives and comprehensive internet services that provide participants with interactive financial and retirement planning tools. A dual high-touch, high-tech approach will be required to provide the participants with all of the necessary financial information and data to make informed investment decisions related to their elections. An explanation that outlines your firm's capabilities in designing and implementing a communication/education strategy will be required for both the initial transition and ongoing. The goal is to identify a service provider that offers comprehensive communication/education services to accommodate the needs of the employees located across District locations.

In addition to your core communication services, an on-site retirement counselor(s) must be available to provide one-on-one counseling regarding the plan. Currently, Prudential Retirement provides an on-site retirement counselor dedicated to the District plan. The on-site retirement counselor serves as a resource for employees and provides one-on-one information regarding the plan (i.e. enrollment, deferrals, plan investment options, withdrawals, etc.) as well as general retirement readiness counseling. This does not include financial advisory services. The on-site counselor has a rotating schedule across each of the District's seven locations throughout Cook County, Illinois. The counselor is at one of the District locations Monday through Friday each week. The counselor also leads retirement seminars several times each year and participates in quarterly new employee orientation sessions to highlight the Deferred Compensation Plan. The District provides office space at each of the relevant locations for the on-site counselor. The counselor is to be provided by the proposer and will not be an employee or subcontractor of the District. Your proposal should state the nature and number of field service representatives who will be dedicated to this relationship to provide these on-site services and a detailed description of the services to be provided and nature of the employment relationship.

The compensation structure of the on-site retirement counselor(s) should not allow for any cross selling of other investment products and services. Compensation and incentive structure must be structured to maintain an objective and unbiased distribution of investment products and services to the Plan's participants.

The service provider will be required to prepare an annual education plan. This plan should detail the approach that your organization will take in communicating the program to employees, including the plan for contacting existing participants, by mail/or email, by telephone or in person, to periodically re-evaluate their deferred

compensation plan participation and review whether changes should be made. The Deferred Compensation Committee (Committee) will require a quarterly report from the service provider to monitor plan level activity. This report shall include data at the Plan and participant level, as well as the status and resolution of any participant problems and developments in the delivery of plan services.

C. PLAN INFORMATION

Plan Sponsor: Metropolitan Water Reclamation District of Greater Chicago (District)
100 East Erie Street
Chicago, IL 60611

Plan Name: Metropolitan Water Reclamation District of Greater Chicago Deferred Compensation Plan & Trust

Plan Committee: Deferred Compensation Committee consists of: Director of Human Resources; Treasurer; and Chairman of Finance (Commissioner)

Payroll System: The District has a single payroll center, which provides the record keeper one consolidated input file. Contribution data is reported bi-weekly to coincide with 26 pay periods per year.

Current Administrator: Prudential Retirement

Plan Type: Section 457 Deferred Compensation Plan

Eligible Employees: There are approximately 1,850 employees eligible for participation and 1,271 active and contributing.

| Eligible Employees by Age | | | | | |
|----------------------------------|-----------------|--------------|--------------|--------------|----------------|
| | Under 35 | 35-45 | 46-55 | 56-65 | Over 65 |
| # of Employees | 192 | 454 | 606 | 502 | 88 |

| Employee Additions and Separations | | | |
|---|--------------------|-------------|-------------|
| | 2018 (9/30) | 2017 | 2016 |
| New Hires | 69 | 109 | 112 |
| Separations | 104 | 144 | 148 |

| Employees by District Location | |
|---------------------------------------|---|
| Employees | Location |
| 527 | Main Office Building, 100 E. Erie St., Chicago 60611 |
| 712 | Stickney Plant, 6001 E. Pershing Rd., Cicero 60650 |
| 184 | O'Brien Plant, 3500 W. Howard St., Skokie 60076 |
| 50 | Kirie Plant, 701 W. Oakton St., Des Plaines 60018 |
| 82 | Egan Plant, 550 S. Meacham Rd., Schaumburg 60193 |
| 264 | Calumet Plant, 400 E. 130th St., Chicago 60628 |
| 21 | Hanover Park Plant, 1200 E. Sycamore Ave., Hanover Park 60103 |

Participant Information:

| Participant Breakdown | | | | |
|------------------------------|--------------------|-------------|-------------|-------------|
| | 2018 (9/30) | 2017 | 2016 | 2015 |
| Total Active Participants | 1278 | 1274 | 1274 | 1279 |
| Total Inactive Participants | 716 | 718 | 685 | 677 |
| Total Participants | 1994 | 1992 | 1959 | 1956 |

| Total Plan Cash Flow | | | | |
|-----------------------------|--------------------|--------------|---------------|---------------|
| | 2018 (9/30) | 2017 | 2016 | 2015 |
| Contributions | \$8,033,587 | \$10,820,077 | \$9,610,447 | \$9,465,040 |
| Withdrawals | \$8,078,611 | \$11,065,934 | \$12,118,885 | \$14,601,188 |
| Net Cash Flow | (\$45,024) | (\$245,857) | (\$2,508,438) | (\$5,136,148) |

| Stable Value Cash Flow | | | | |
|-------------------------------|--------------------|---------------|---------------|---------------|
| | 2018 (9/30) | 2017 | 2016 | 2015 |
| Contributions | \$1,618,744 | \$2,162,540 | \$1,955,195 | \$2,023,189 |
| Withdrawals | \$2,889,330 | \$3,583,906 | \$5,249,268 | \$6,317,725 |
| Net Cash Flow | (\$1,270,586) | (\$1,421,366) | (\$3,294,073) | (\$4,294,536) |

| Stable Value Participants | | | | |
|----------------------------------|--------------------|-------------|-------------|-------------|
| | 2018 (9/30) | 2017 | 2016 | 2015 |
| Under age 25 | 4 | 3 | 2 | 0 |
| Age 26 – 35 | 28 | 33 | 26 | 27 |
| Age 36 – 45 | 97 | 96 | 99 | 106 |
| Age 46 – 55 | 301 | 313 | 327 | 358 |
| Age 56 – 65 | 429 | 438 | 422 | 412 |
| Age 66 – 70.5 | 153 | 149 | 164 | 160 |
| Age 71 – 80 | 182 | 174 | 158 | 133 |
| Age 80+ | 55 | 51 | 50 | 45 |

| 2018 Plan Year | |
|---|----------------------|
| | As of 9/30/18 |
| Number of participants active and contributing | 1173 |
| Number of participants active, not contributing | 105 |
| Number of terminated participants with balances | 716 |
| Number of eligible participants, not enrolled | 561 |
| Number of terminated participants with balances less than \$5,000 | 21 |
| Number of participants suspended due to hardships | 11 |
| Total account balances – participants active and contributing | \$137,668,366 |
| Total account balances – terminated participants with balances | \$121,850,404 |
| Total account balances – suspended due to hardship | \$307,565 |
| Average account balance | \$132,787 |
| Managed account balance | \$2,697,428 |
| Managed account participants | 17 |

| Participant Services | | | | |
|--|--------------------|-------------|-------------|-------------|
| | 2018 (9/30) | 2017 | 2016 | 2015 |
| Number of new participants | 54 | 72 | 75 | 112 |
| Number of new loans | N/A | N/A | N/A | N/A |
| Number of outstanding loans | N/A | N/A | N/A | N/A |
| Number of hardship withdrawals | 14 | 30 | 13 | 15 |
| Number of in-service withdrawals not due to financial hardship | 2 | 3 | 3 | 5 |
| Number of lump sum distributions | 9 | 15 | 15 | 16 |
| Number of recordkeeper IRAs opened | 0 | 2 | 6 | 6 |
| Number of required minimum distributions | 165 | 166 | 134 | 129 |
| Number of QDROs | 5 | 3 | 4 | 4 |
| Number of rollovers <i>into</i> the plan | 31 | 45 | 51 | 70 |

| Participant Contributions | | | | |
|---|--------------------|-------------|-------------|-------------|
| | 2018 (9/30) | 2017 | 2016 | 2015 |
| Employee Pre-tax (excluding catch-up contributions) | \$6,792,776 | \$8,306,360 | \$8,039,716 | \$7,950,703 |
| Catch-up contributions | \$378,545 | \$862,843 | \$736,235 | \$483,120 |
| Roth | \$862,266 | \$898,872 | \$629,578 | \$400,684 |
| After-tax | N/A | N/A | N/A | N/A |
| Employer Match | N/A | N/A | N/A | N/A |
| Employer Discretionary | N/A | N/A | N/A | N/A |
| Rollover Contributions | \$522,063 | \$799,253 | \$224,939 | \$630,534 |
| Loan Repayments | N/A | N/A | N/A | N/A |

| Participant Distributions | | | | |
|---|--------------------|-------------|-------------|-------------|
| | 2018 (9/30) | 2017 | 2016 | 2015 |
| Lump sum distributions – cash | \$4,167,527 | \$5,356,686 | \$5,817,776 | \$4,112,023 |
| Lump sum distributions – rollover | \$3,673,375 | \$5,709,248 | \$6,301,109 | \$5,102,023 |
| De Minimis payments (less than \$5,000) | \$175,610 | \$255,727 | \$184,221 | \$187,705 |
| Installment payments | \$687,555 | \$1,103,423 | \$1,237,165 | \$1,251,245 |
| Unforeseeable/Hardship withdrawals | \$136,461 | \$213,508 | \$127,298 | \$85,771 |
| In-service withdrawals (excluding hardship withdrawals) | \$0 | (\$23,791) | (\$15,575) | (\$25,152) |
| Loan withdrawals | N/A | N/A | N/A | N/A |
| Fees (i.e. loans, self-directed brokerage) | \$11,842 | \$12,375 | \$9,183 | \$5,706 |

As of September 30, 2018

| Category | Fund | Ticker | Amount |
|-------------------------|---|---------------|----------------------|
| Stable Value | Guaranteed Income Fund | N/A | \$73,468,024 |
| Bond | Dodge and Cox Income | DODIX | \$12,645,075 |
| Balanced | Vanguard Wellington Fund | VWENX | \$39,023,632 |
| Large Cap Value | Vanguard Windsor II Fund | VWNAX | \$34,424,224 |
| Large Cap Blend | Vanguard Institutional Index | VINIX | \$21,260,730 |
| Large Cap Growth | Janus Research Fund | JAMRX | \$16,258,361 |
| Mid Cap Value | JP Morgan Mid Cap Value Select | JMVSX | \$6,900,403 |
| Mid Cap Blend | Vanguard Mid Cap Index Fund I | VMCIX | \$11,285,321 |
| Mid Cap Growth | MassMutual Select Midcap Growth Equity II | MPEGX | \$3,516,081 |
| Small Cap Value | American Century Small Cap Value Fund | ASVIX | \$3,624,777 |
| Small Cap Blend | Vanguard Small Cap Index I | VSCIX | \$7,363,284 |
| Small Cap Growth | Janus Henderson Triton I | JSMGX | \$5,998,203 |
| International | Vanguard Developed Markets Index Admiral | VTMGX | \$1,792,558 |
| International | American Funds EuroPacific Growth Fund | AEPGX | \$18,001,738 |
| Target Date Fund | T. Rowe Price Retirement Income | TRRIX | \$501,884 |
| Target Date Fund | T. Rowe Price Retirement Income 2005 | TRRFX | \$95,747 |
| Target Date Fund | T. Rowe Price Retirement Income 2010 | TRRAX | \$373,896 |
| Target Date Fund | T. Rowe Price Retirement Income 2015 | TRRGX | \$991,077 |
| Target Date Fund | T. Rowe Price Retirement Income 2020 | TRRBX | \$1,512,750 |
| Target Date Fund | T. Rowe Price Retirement Income 2025 | TRRHX | \$1,750,621 |
| Target Date Fund | T. Rowe Price Retirement Income 2030 | TRRCX | \$1,673,376 |
| Target Date Fund | T. Rowe Price Retirement Income 2035 | TRRJX | \$473,153 |
| Target Date Fund | T. Rowe Price Retirement Income 2040 | TRRDY | \$724,556 |
| Target Date Fund | T. Rowe Price Retirement Income 2045 | TRRKX | \$501,842 |
| Target Date Fund | T. Rowe Price Retirement Income 2050 | TRRMX | \$337,700 |
| Target Date Fund | T. Rowe Price Retirement Income 2055 | TRRNX | \$250,982 |
| Self-directed Brokerage | | N/A | \$2,417,761 |
| Grand Total | | | \$267,167,487 |

| <u>Account Balance By Source</u> | <u>As of September 30, 2018</u> |
|---|--|
| Pre-tax | \$262,760,867 |
| Roth | \$4,406,620 |

| Payroll/File Information | |
|---|------------|
| Frequency of contributions (weekly/bi-weekly/monthly) | Bi-weekly |
| Medium used to remit contribution files (electronic, disk, magnetic tape) | Electronic |
| Funding method (check, wire, ACH) | ACH |
| Number of payroll locations | One |
| Number of payroll files | One |

Highlights of the Deferred Compensation Plan

| | |
|---|---|
| Eligibility: | All MWRD employees (approximately 1,900) are eligible to participate |
| Rollovers: | Rollover contributions from other eligible plans are allowed |
| Expenses: | All fees related to this plan are charged to the participants' accounts |
| Plan Year: | January 1 st to December 31 st |
| Benefit Payment Events | The plan allows for withdrawals for the following events: <ul style="list-style-type: none">▪ Termination of employment▪ Retirement▪ Death▪ Financial Hardship (unforeseeable emergencies) Retirees may maintain the accounts with no time restriction for withdrawal. |
| In-Service Withdrawals | Not permissible except for financial hardship (unforeseeable emergencies) as approved by the Committee |
| Form of Distribution | <ul style="list-style-type: none">▪ Lump Sum▪ Payment in equal amounts for period designated by participant▪ Systematic Withdrawal Option |
| Roth 457 Option | Offered as an Option |
| Self-Directed Brokerage Accounts | Offered as an Option |
| Catch-up Contributions | As permitted by law |
| Purchase of Service Credit | As permitted by law |
| Loans | Not Offered |
| Auto enrollment | Not currently utilized |
| Auto escalation | Offered as an opt-in feature |

D. TIMETABLE FOR RFP PROCESS

The District has retained Segal Marco Advisors to assist the Committee in the evaluation and selection of a full service provider to administer its 457 Deferred Compensation Plan.

Tentative Proposal Timeline

| <u>Activity</u> | <u>Target Date*</u> |
|------------------------------|----------------------------|
| RFP Advertised | January 30, 2019 |
| Proposal Due Date | March 1, 2019 |
| Finalist Interviews | April 24 - 25, 2019 |
| Best and Final Offers Issued | May 1, 2019 |
| Contract Award | June 6, 2019 |

***All dates are subject to change.** Vendors are asked to leave the specified dates open for finalist interviews and presentations. The District reserves the right to select a vendor without interviews. Other dates will be added as necessary at the District's discretion.

The anticipated award date for this contract is June 6, 2019 with a contract start date of January 1, 2020. This timeline recognizes that the selection of a new vendor will require a transition/implementation period and that implementation plan could alter the start date. As a result, both dates are subject to change at the sole discretion of the District.

III. COST PROPOSAL

The Proposer shall complete the Cost Proposal provided in Appendix A. For your convenience, the Cost Proposal document is available in a fillable Microsoft Word format online on the District's website at www.mwrd.org (Quick Links→Contracts and Proposals→For Contracts Being Currently Advertised). It must be completed in its entirety in exactly the format provided. The Proposer is required to submit one (1) original, signed set of the Cost Proposal (Appendix A) in a sealed envelope separate from the RFP response. The Cost Proposal must be clearly marked as such. Do not include the Cost Proposal in any other copy of your response.

The Proposer shall furnish, but not be limited to, labor, materials, equipment, supplies, and expertise necessary to provide the services, as outlined in Section II, Scope of Work.

The cost proposal is one element of evaluation and selection. Although a factor, cost is not the overriding basis of award. The District reserves the right to make an award solely on its assessment, to reject any or all proposals and to not choose the lowest cost proposal.

IV. VENDOR QUALIFICATIONS

The Proposer must meet the following minimum criteria to be considered an eligible candidate to bid on the requested services described in this RFP. If the Proposer is unable to meet any one of these minimum qualifications, its proposal will be considered non-responsive and it will be disqualified.

Minimum Qualifications

1. Proposer must have at least **five (5) years** of experience in providing the proposed services and products to the public sector defined contribution marketplace.
2. Proposer must have a minimum of **\$3 billion** under investment management for public sector plans.
3. Proposer must have at least five (5) public deferred compensation plans with assets of at least \$1 billion.
4. Proposer must have at least five (5) public deferred compensation plans each with more than 2,000 participants.
5. Proposer must have a SSAE 18 Audit conducted at least annually.
6. Trust/custodial services must have been provided to defined contribution plans for at least **five years** and have at least **\$5 billion** under trust/custody. Trustee services can be provided either through direct services or through a banking arrangement.
7. There can be no liquidation penalty, Contingent Deferred Sales Charges (CDSC) fees or market value adjustment related to the liquidation of any of the Plan's investment products. Traditional insurance company products with contingent sales charges, liquidation penalties and market value adjustments are not allowed. A 12-month put provision will be considered to accommodate a book value distribution.
8. Any Proposer to this RFP must be willing to sign a contract for a period of 5 years beginning January 1, 2020.
9. Proposers must be liable and solely responsible for any processing errors of the provider or its agents. In the event of a participant's loss of interest and/or dividend and/or principal due to an error by the successful proposer(s) or its agent(s) in processing transactions on behalf of the participant, the successful proposer(s) agrees to adjust the participant's account to the same position as if the processing error had not occurred.
10. Proposer must provide self-directed brokerage services.

11. Proposer must provide a Roth 457 Account.
12. Proposer must provide administrative services related to the administration of both hardship distributions and Qualified Domestic Relations Orders (QDRO). This includes providing the District with reports and/or supporting documentation to ensure compliance with IRS regulations.
13. Proposer must administer the 457 Catch-up provision and provide supporting documentation and reporting to ensure compliance with IRS regulations.
14. The Proposer must provide the Board within 30 days after receiving notification of the award with a fidelity bond in an amount not less than the required amount in the 457 Plan Rules.
15. Proposer must provide certification as a qualified firm to provide administrative services and investment products pursuant to Section 457 of the Internal Revenue Code, and all rules and regulations governing Section 457 Deferred Compensation Plans in the State of Illinois.
16. Proposer must offer single source services including investment management, communication/education, recordkeeping, administration, custodial trustee services and investment advisory services.
17. Proposer must provide dedicated resources to support the on-going consultation to the District and all plan participants. This includes the availability of customer and field service representatives to support employee meetings and new employee orientation programs. The selected vendor must have field service support available beginning in January 2020 to commence the new plan roll out. The proposer must have a program in place to provide individual participant advisory services supported by customer service representatives.
18. Proposer must provide Field Service Representatives that provide enrollment, education and participant advisory services. It cannot have commission-based compensation or financial incentives to promote any investment product or services. A salary-based compensation structure is required for all field service representatives allocated to this relationship.
19. Proposers who elect to provide investment advisory services utilizing a joint-venture must have a minimum of **five (5) years'** experience in that joint-venture and have ten (10) similar sized clients.

Additional Desirable Qualifications

1. Proposer must have the capability to administer the retained investment options.
2. Proposer must process payroll data and post participant contributions with each bi-weekly pay date. The contribution payroll file is sent one day prior to the actual bi-weekly pay date and on the next day the contribution wire is sent to fund the contributions. All payroll data and reporting is consolidated by the District's centralized payroll section. The service provider must be able to maintain and track participant deduction changes and report a feedback file with updated information to payroll so that they can in turn update their deductions records. Contributions must be posted to participant accounts within 24 hours of receipt of the payroll file.
3. The Proposer must have the capability to administer a loan program including the administration of the ongoing interest rate charges.
4. Proposer must maintain and distribute Summary Plan Descriptions to plan participants.

Proposer must complete the Certification of Minimum Qualifications (Appendix H) and submit it with the proposal. Any deviations from the minimum qualifications listed above must be clearly explained in the Certification of Minimum Qualifications. For your convenience, the Certification of Minimum Qualifications document is available in a fillable Microsoft Word format online on the District's website at www.mwrd.org (Quick Links→Contracts and Proposals→For Contracts Being Currently Advertised).

The District expects the successful proposer to assume all data-management responsibilities for the Plan. The

firm will be required to establish two-way interface capability with all appropriate parties (e.g., payroll) and be held accountable for timely, accurate transmission and, as appropriate, editing and validation of data for processing enrollments and contribution activity. The District intends to utilize its existing data interface file. Any cost for modifications to this interface file will be incurred by the Proposer.

Once awarded, the contract for the Section 457 Plan Service Provider will begin January 1, 2020 with the expectation to launch employee educational meetings in December 2019. The initial contract period will be for five years from January 1, 2020 through December 31, 2024. The successful proposer must execute a contract providing the required package of services in accordance with the District's requirements.

The Proposer must include the following elements in its proposal:

- Description of Company;
- Experience/References;
- Financial Statements;
- Legal Requirements;
- Affirmative Action.

The submittal requirements for each of these elements follow. Please note that proposals must include the information requested here in the manner specified. If the information is not included in the manner specified, the proposal may be considered non-responsive and may be eliminated from consideration.

A. DESCRIPTION OF COMPANY

The Proposer shall describe its company on one 8 1/2" x 11" page, to include the following data:

1. Name of company; if a joint venture, name of joint venture and names of individual companies comprising the joint venture, plus a copy of the joint venture agreement.
2. Address of corporate headquarters and Chicago area location, if differing;
3. Telephone and fax number(s) for Chicago area location(s);
4. Name, address, title and contact information of the District's primary contact at the organization;
5. Form of company; i.e., sole proprietor, partnership, corporation;
6. Date company formed; date incorporated if a corporation;
7. Company principals including president, chairman, vice presidents, secretary, chief operation officer, chief financial officer, general manager(s);
8. The Federal Employer Identification Number (FEIN) of the Proposer and/or in case of a sole proprietorship or partnership, the Social Security Number (SSN) for all owners or partners;
9. Copies of all licenses and/or permits required to do business in the State of Illinois. In the event that a corporation or LLC is the successful Proposer, such corporation shall present evidence, before a contract is executed, that it is authorized to do business in the state of Illinois which may include a print-out from the Secretary of State's website.

Note: Appendix D (Affidavit of Ownership) may have similar information as that listed above; however, both the description of the company and Affidavit of Ownership must be completed.

B. EXPERIENCE/REFERENCES

The Proposer will provide the following information as part of the proposal:

1. A detailed description of the Proposer's project team, including identification of individuals who would provide services to the District. Describe specific experience of these individuals in performing requested services.

2. Evidence that the organization is licensed to do business in the State of Illinois (provide copy).
3. A listing of other major organizations (government agencies and private organizations) with more than 1,000 employees for whom work of similar type, scope, and magnitude has been performed by the Proposer. Provide name of entity, address, phone number, contact person, and a brief description of work performed in the last five years.
4. Proposer shall list the names, addresses, phone numbers, and contact persons of at least three (3) non-affiliated references (reference letters also may be included) for financial and managerial performance. Include as many public sector employer references as possible. All references must be able to comment on both categories.

C. FINANCIAL STATEMENTS

If a publicly held firm, the Proposer must provide its firm’s two (2) most current fiscal years of audited financial statements as compiled by independent certified public accountants. Internally audited financial statements will be accepted only from privately held firms. Proposers must also list any and all businesses that involved sales in which Proposer has a financial interest; the nature of the interest (sole proprietor, general partner, limited partner, shareholder, sales commission, etc.); and the proposing firm’s percentage share of each business or transaction. Shares of corporations, in which the potential Proposer’s holdings represent less than one percent of the outstanding shares and in which the potential Proposer has no management interest, need not be declared.

D. LEGAL REQUIREMENTS

Identify the legal structure of the Proposer (individual, corporation, partnership or other legal entity). If a partnership, identify the legal structure of each of the partnerships.

List any final judgments that have been entered against the Proposer or any affiliated person or entity within the past five (5) years. Final judgments shall be restricted to (1) judgments against the firm related to its business operations, or (2) any judgments concerning legal competency, criminal or fraudulent conduct on the part of any potential service team member representative for the District, including Partners. If the Proposer (or any partner of the Proposer) is a corporation, the list must include any such judgments entered against any holder of more than five (5) percent of its issued and outstanding stock. If the Proposer is a partnership, the list must include any such judgment entered against any of its partners that may serve as a potential service team member representative for the District.

Has the Proposer, or any shareholder of the Proposer, ever had a bond canceled or forfeited (or, if the Proposer is a partnership, has any partner or any shareholder of any corporate affiliate of any partner ever had a bond canceled or forfeited)?

Yes _____ No _____

If yes, state the name of the bonding company, the date and amount of the bond, and the reason for the cancellation or forfeiture.

Has the Proposer, or any shareholder of the Proposer, ever been declared bankrupt (or, if the Proposer is a partnership, has any partner or any shareholder of any corporate affiliate of any partner ever been declared bankrupt)?

Yes _____ No _____

If yes, state the name of the party or entity that declared bankruptcy, the case number of the proceedings, and the court in which such proceedings were filed.

Identify any and all service agreements by the Proposer during the past five (5) years in which the owner has terminated or canceled prior to the expiration date, and state the reason for such a cancellation. Provide the names, addresses and phone numbers of the owner in each such case.

Please note: Failure to provide the information as required above may render your proposal as non-responsive and may result in disqualification.

E. AFFIRMATIVE ACTION

It is the policy of the District that Minority, Small and Women's Business Enterprises shall have the maximum practicable opportunity to participate in the performance of contracts or subcontracts. Although this contract does not have specific participation goals, describe your good faith efforts to maximize MBE/WBE/SBE participation, either direct or indirect, in this contract.

V. INSURANCE REQUIREMENTS

The Proposer, at its sole expense and prior to engaging upon the work agreed to be done, shall procure, maintain and keep in force during the entire term of the Agreement such required insurance. The specific type(s) and amount(s) of coverage of this Agreement are specified below. The District, its Commissioners, Officers, Agents, and Employees must be named as additional insureds on every insurance certificate for this Agreement with respect to Commercial General Liability and Business Auto Liability.

NOTE: THE CERTIFICATE SHALL CLEARLY STATE THAT THE “METROPOLITAN WATER RECLAMATION DISTRICT, ITS COMMISSIONERS, OFFICERS, AGENTS, AND EMPLOYEES ARE ADDITIONAL INSURED UNDER THE COMMERCIAL GENERAL LIABILITY INSURANCE AND BUSINESS AUTO LIABILITY INSURANCE.”

| Type of Insurance | Minimum Limit of Liability |
|--|----------------------------|
| <u>Workers’ Compensation Insurance</u> | STATUTORY |
| <u>Employer’s Liability</u> | |
| A. Each accident | \$1,000,000 |
| B. Each employee-disease | \$1,000,000 |
| C. Policy aggregate-disease | \$1,000,000 |
| <u>Commercial General Liability</u> | |
| A. Per occurrence | \$1,000,000 |
| B. General aggregate | \$1,000,000 |
| C. Products/Completed Operations General Aggregate | \$1,000,000 |
| <u>Business Auto Liability</u> | \$1,000,000 |
| <u>Professional Errors and Omissions</u> | \$10,000,000 |
| <u>Insurance Companies Blanket Bond, Employee Dishonesty</u> | |
| <u>Insurance or Fidelity Bond</u> | \$25,000,000 |
| ○ The deductible must not exceed \$500,000 | |
| ○ The provided blanket bond, employee dishonesty insurance or fidelity bond shall contain a loss-payee endorsement in favor of the District. | |

PROVISIONS

The Proposer shall maintain and keep in force all required insurance for the duration of the Agreement. Any deductibles or other forms of retention set forth in the Proposer’s insurance policies are the responsibility of the Proposer. Contract may be cancelled for failure to maintain adequate insurance throughout the life of the contract.

The Proposer and all Independent/Subcontractor’s insurance coverage shall be primary insurance as respects the District, its Commissioners, Officers, Agents, Employees and volunteers. Any insurance or self-insurance maintained by the District, its Commissioners, Officers, Agents, Employees, and volunteers shall not contribute to the Proposer’s Insurance.

The Insurance policy(s) required by this clause shall be endorsed to state that coverage shall not be suspended, voided, cancelled and non-renewed or reduced in coverage or in limits except after thirty (30) days prior written notice (except 10 days notice for non-payment) by certified mail, return receipt requested, has been given to the Law Department of the District.

Insurance is to be placed with insurers authorized to do business in the State of Illinois with Best’s rating of no less than A-VII and covering all operations under this contract. Exceptions to the Insurance Requirement are at the discretion of the District’s Law Department.

Proposers shall furnish the District with certificate(s) of insurance and with original endorsements affecting coverage required by this clause. Certificate(s) and endorsements are to be received and approved by the District's Law Department. The District reserves the right to require complete certified copies of all required insurance policies at any time.

The District shall have no responsibilities whatsoever to the Proposer with respect to any insurance coverage, its procurement or the absence thereof.

Proposer expressly understands and agrees that any insurance protection furnished by the Proposer hereunder shall in no way limit its responsibility to indemnify and save harmless the District under the Provisions of this Agreement.

The District maintains the right to modify, delete, alter or change these requirements. The insurer shall agree to waive all the rights of subrogation (Workers' Compensation, General Liability) against the District, its Commissioners, Officers, Agents, Employees, and volunteers for losses arising from this Agreement.

The District maintains the right to modify, delete, alter or change the above requirements without prior notice.

VI. PROPOSAL DOCUMENT

Proposals will be received by the Director of Procurement and Materials Management of the District in accordance with the conditions set forth herein. The requirements for the Proposal Document are addressed in the following two parts:

1. Format and Presentation;
2. Submission.

Proposals must be organized according to the outline presented in this Request for Proposal. The response must include one (1) original signature set and four (4) copies plus one (1) CD-ROM or flash drive as stated on page 1. One original set of the Cost Proposal documentation shall be submitted in a separate sealed envelope. Proposers are advised that proposals must be well-ordered, detailed, comprehensive, and clear, to ensure a thorough evaluation. Each of the requirements for the proposal document is addressed below:

A. FORMAT AND PRESENTATION

Proposers must follow the following format and presentation requirements to be considered responsive to this Request for Proposal.

1. Format

Each proposal shall be submitted in an 8 1/2" x 11" format with fold-outs used as necessary. The cover shall clearly state the project title and the Proposer's name.

The Proposer may designate those portions of the proposal which contain trade secrets or other proprietary data that must remain confidential. If a Proposer includes data which is not to be disclosed to the public, or which is to be used only for evaluation purposes, the Proposer shall:

- a. **Mark the title page with the legend:**

"This response includes data that shall not be disclosed outside the District and shall not be duplicated nor used, in whole or in part, for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this Proposer as a result of or in connection with the submission of this data, the District shall have the right to duplicate, use, or disclose the data to the

extent provided in the resulting contract. This restriction does not limit the District's right to use information contained in this data if it is contained in another source without restriction. The data subject to this restriction are contained in pages (insert numbers or other identification)";

b. Mark each page of data the Proposer intends to restrict with the following legend:

“Use or disclosure of data contained on this page is restricted.”

2. Presentation

Each Proposer shall furnish the information required by this Request for Proposal. The Proposer shall include all information identified in the Section entitled **Terms and Conditions**.

Proposals for supplies or services other than those specified will not be considered unless authorized by the Request for Proposal. Each Proposer must state a definite time for performance of services unless otherwise specified in the Request for Proposal.

If Proposer is a corporation, the president and secretary shall execute one (1) original signature set, and four (4) copies, of the proposal. The corporate seal shall be affixed to the one original signature set. In the event the proposal is executed by someone other than the president, a certified copy of that section of the corporate by-laws or other authorization by the corporation which permits the person to execute the offer for the corporation shall be attached to the proposal.

If Proposer is a partnership, all partners shall execute one (1) original signature set, and four (4) copies, of the proposal, unless one partner has been authorized to sign for the partnership, in which case, evidence of such authority must be submitted to the satisfaction of the Director of Procurement and Materials Management.

If Proposer is a sole proprietor, Proposer shall execute one (1) original signature set, and four (4) copies, of the proposal.

If Proposer is a Partnership, Joint Venture or Sole Proprietor operating under an Assumed Name, it must be registered with the County Clerk of the Illinois County in which it conducts or transacts business, as provided in 805 ILCS 405/0.01 et seq.

B. SUBMISSION

All Proposers must submit five (5) sealed proposals, including one (1) original signature set, plus one original set of the Cost Proposal in a separate sealed envelope clearly marked, in the bid depository safe as outlined in the advertisement page. The sealed envelope submitted by the Proposer shall carry the following information on the face of the envelope:

1. Proposer's Name
2. Proposer's Address
3. Subject of Proposal, including Contract number
4. Advertised Date
5. Date and Hour designated for receipt of proposal, as shown in the advertisement.

The District assumes no responsibility for documents sent through the mail. Proposals received in the mail after the deadline will not be considered.

Response documents should be prepared simply and economically, providing a straightforward, concise delineation of capabilities proposed to satisfy the requirements of the Request for Proposal.

VII. EVALUATION AND SELECTION PROCESS

The District, in conjunction with Segal Marco Advisors, will review all proposals in accordance with the evaluation criteria. The District reserves the right to accept or reject any, some, or all proposals, to take exception to parts of proposals, and to request written clarification of proposals and supporting materials. The District further reserves the right to negotiate with any Proposer with respect to amendments to its proposal.

The Director of Procurement and Materials Management may establish a common date and time for the submission of best and final offers. Best and final offers shall be submitted only once; provided, however, the Director of Procurement and Materials Management may make a written determination that it is in the District's best interest to conduct additional discussions or change the District's requirements and require another submission of best and final offers. Otherwise, no discussion of, or changes in, the best and final offers shall be allowed prior to award.

The District may award a contract or contracts, based upon initial proposals received without discussion of such proposals. Accordingly, each initial proposal should be submitted on the most favorable terms which the Proposer can submit to the District. All proposals will be reviewed by an Internal District Review and Evaluation Committee in order to arrive at a "Short List." The Review and Evaluation Committee will then rank order the proposals with a recommendation for selection. The rank ordered list and recommendation will be forwarded to the Director of Procurement and Materials Management. The Director of Procurement and Materials Management will make a final recommendation to the Executive Director and, if the Executive Director concurs, the recommendation will be forwarded to the District's Board of Commissioners for action.

The District will use the following evaluation criteria in evaluating proposals:

1. Stable Value & Investment Offerings: Quality and performance of the Stable Value investment offerings and overall capabilities to support an open architecture of investment offerings selected by the District.
2. Plan Administration: Commitment to on-site employee enrollment and education, ongoing communication, customer service, and employee education, including website capabilities and retirement planning tools.
3. Technology and Data: Data-management services, including creation and maintenance of employee data, transaction data and history, interfaces with suppliers and Payroll, strong cyber security and other record keeping and administrative functions, including compliance.
4. Customer Service: Call center services, including support of enrollment and employee inquiries.
5. Cost: Overall cost structure for plan level expenses.
6. Experience: Size, structure, resources, and capacity of the organization; experience in providing deferred compensation services to large public employers.
7. Trust services: Trust and custody service.
8. Compliance with Insurance Requirements: Stipulations contained in Section V, Insurance Requirements.
9. Submission of Licenses and Permits: Submittal of such documentation to perform business in the State of Illinois
10. Affirmative Action: It is the policy of the District that Minority, Small, and Women's Business Enterprises shall have maximum practicable opportunity to participate in the performance of contracts and subcontracts. Efforts to support this goal should be described in the proposal and will be taken into consideration in awarding the contract.

Questions contained in the Administrative Services Questionnaire (Appendix E) and Investment Management Services Questionnaire (Appendix F) reflect these criteria. The District reserves the right to conduct a site visit.

VIII. CHECKLIST

The following list of items must be included in order for a proposal to be considered responsive. Failure of the Proposer to include each item listed in the checklist will render the Proposal non-responsive and the Proposal will be rejected.

1. **COVER LETTER** signed by an authorized representative of the Proposer. The cover letter must contain a commitment to provide the services described within the required time-frames with the personnel specified in the proposal. The letter shall indicate that the proposal is a firm offer for a period of at least one hundred twenty (120) days and that the Proposer will comply with terms of the Request for Proposal and acknowledges receipt of any addenda issued by the District.
2. **EXECUTIVE SUMMARY (OR INTRODUCTION)** shall include the name of the Proposer, the location of the Proposer's principal place of business and, if different, the place of performance of the contract, branch office locations, the age of the Proposer's business and the average number of employees over the most recent five-year period. The summary must also include a brief statement of understanding and the Proposer's approach to perform the services required by the District (maximum length: two pages).
3. **SCOPE OF WORK** shall, at a minimum, be provided in the form of a detailed narrative, including specific examples and support information of the proposed services to be rendered. The Proposer shall format this narrative to correspond to the specific work identified in Section II, Scope of Work.
4. **COST PROPOSAL (Appendix A)** must be completed consistent with the information requested in this Request for Proposal. The cost proposal must be signed with an original signature. Cost proposal must be placed in a separate envelope clearly marked and should not be included in any other copy of the response as described in Section III. Cost Proposal. **Document Available for Download (See Notice page 2)**
5. **VENDOR QUALIFICATIONS**, the submittal of elements, as required in Section IV, must be provided.
6. **INSURANCE REQUIREMENTS** must be acknowledged and agreed to by the Proposer. The Insurance Requirements are included in Section V. Any concerns regarding the required coverage should be included in the Proposer's submittal.
7. **NON-COLLUSION AFFIDAVIT (Appendix B)** must be completed, executed, notarized and attested by the Proposer. All signatures must be original.
8. **CERTIFICATION AFFIDAVIT (Appendix C)** must be completed, executed, notarized and attested by the Proposer. All signatures must be original.
9. **AFFIDAVIT OF OWNERSHIP (Appendix D)** must be completed, executed, notarized and attested by the Proposer. All signatures must be original.
10. **ADMINISTRATIVE SERVICES QUESTIONNAIRE (Appendix E)** must be completed by the Proposer. **Document Available for Download (See Notice page 2)**
11. **INVESTMENT MANAGEMENT SERVICES QUESTIONNAIRE (Appendix F)** must be completed by the Proposer. **Document Available for Download (See Notice page 2)**
12. **CERTIFICATION OF MINIMUM QUALIFICATIONS (Appendix G)** must be completed by the Proposer. **Document Available for Download (See Notice page 2)**
13. **SAMPLE AGREEMENT (Appendix K)** must be reviewed by the Proposer. This review is to identify any significant concerns with provisions in the contract. It is not meant to be a final review (i.e. mark-up) of the contract documents. Comments regarding any concerns should be included in the Proposer's submission.

IX. TERMS AND CONDITIONS

1. EXAMINATION BY PROPOSER

Proposers are expected to examine all parts of the Request for Proposal. Failure to do so will be at the Proposer's own risk.

2. COMPETENCY OF PROPOSER

No proposal will be accepted from or contract awarded to any person, firm or corporation that is in arrears or is in default with the District upon any debt of contract, or that is defaulter, as surety or otherwise, upon any obligation to said District, or has failed to perform faithfully on any previous contract with the District.

The Proposer, if requested, must present within a reasonable time, as determined by the Director of Procurement and Materials Management, evidence satisfactory to the Director of Procurement and Materials Management of ability to successfully perform on any contract awarded pursuant to this proposal and possession of necessary facilities, labor, material, equipment, supplies, expertise, financial resources and adequate insurance to comply with the terms of this Request for Proposal and any contract awarded pursuant to the provisions of the Request for Proposal.

3. INCURRING COST

All costs incurred in the preparation and submission of responses shall be borne by the Proposer.

4. WITHDRAWAL OF PROPOSALS

Proposers may withdraw their proposals at any time prior to the date specified in the advertisement, up until the closing time for the receipt of proposals. However, no Proposer shall withdraw or cancel its proposal for a period of one hundred twenty (120) calendar days after said advertised closing time for the receipt of proposals, nor shall the successful Proposer withdraw or cancel or modify its proposal, after having been notified by the Director of Procurement and Materials Management that said proposal has been accepted by the District.

5. INCOMPLETE PROPOSALS

Proposers must address all requirements outlined in this Request for Proposal. Proposals submitted to the contrary will be considered incomplete and, as a result, will be rejected.

6. EXCEPTIONS

Any deviations from the Request for Proposal must be noted on the proposal page or pages attached thereto, with the exact nature of the change outlined in sufficient detail. The reason for which deviations were made should also follow if not self-explanatory. Failure of a Proposer to comply with the terms of this paragraph may be cause for rejection.

The District reserves the right to disqualify proposals which do not completely meet outlined specifications. The impact of exceptions to the specifications will be evaluated by the District in determining its need.

7. CONSIDERATION OF PROPOSALS

The Director of Procurement and Materials Management shall represent the District in all matters pertaining to this proposal. The Director of Procurement and Materials Management reserves the right to reject any or all proposals and to disregard any informality in the proposals when, in her opinion, the best interests of the District will be served by such action.

8. REQUEST FOR EXPLANATION AND INFORMATION

See the "NOTICE" page for an explanation of the procedure to ask questions online, and the appropriate contact person who will respond to these online questions, also described in No. 10 below.

9. ADDENDA AND SUPPLEMENTS TO SPECIFICATION

If it becomes necessary or appropriate to change or supplement any part of this Request for Proposal, an addendum will be issued to all recipients. Receipt by a Proposer of an addendum or supplement to this request must be acknowledged, signed and returned with the Request for Proposal package.

EACH PROPOSER MUST ACKNOWLEDGE RECEIPT OF A FULL SET OF CONTRACT DOCUMENTS AND ANY ADDENDA IN ITS COVER LETTER.

10. INTERPRETATION OF CONTRACT DOCUMENT

If any person contemplating whether to submit a proposal is in doubt as to the true meaning of any part of the specifications or other contract documents, such inquiry should be submitted online at the District's website, www.mwrd.org, under the "Contracts and Proposals" section of the website. The District will provide an online response to such inquiries, as the District deems appropriate. Strings of appropriate questions and answers regarding the bidding documents will be available online on the District's website until the bid opening date of the bidding documents. No questions will be accepted by telephone, fax, email, mail, or any other such form of delivery. The District will only respond to questions received online up to ONE WEEK prior to the bid opening date of the bidding documents. The District will not respond to questions received after this date. The District does not guarantee the timeliness of responses provided online, nor does the District guarantee that such responses will be provided in adequate time to affect the submission of bids. The District shall provide responses online ONLY if the responses do not interpret or otherwise change bidding documents. The District's responses online are NOT official responses and, therefore, are not binding to the bidding documents. Any official interpretation or change to the bidding documents will be made only by addenda duly issued to all plan holders on record by the Director of Procurement and Materials Management. If bidding documents are available online, all addenda issued for this contract will be available online at the District's website, www.mwrd.org. A copy of such addenda will also be mailed or delivered to each person receiving a set of such contract documents and to such other prospective bidders as shall have requested that they be furnished with a copy of the addenda. Failure on the part of the prospective bidder to receive a written interpretation prior to the time of the opening of bids will not be grounds for withdrawal of proposal. Bidder will acknowledge receipt of each addendum issued in space provided on proposal signature page or submit a signed copy of each addendum with the Bidder's proposal at the time and date set to receive bids. Oral explanations will not be binding.

11. INADVERTENT ERROR

Inadvertent errors that have a correction submitted after the designated filing date may be considered, at the sole discretion of the Director of Procurement and Materials Management, if the Proposer submits with the correction sufficient information to prove the error was inadvertent. Amendments are not favored and, in the case of doubt, requests will be denied. The District reserves the right, but not the obligation, to request additional information at any time from any or all Proposers, based on the initial evaluation of proposals.

12. SUBMISSION OF PROPOSALS

Proposers shall submit a total of five (5) sealed proposals including one (1) original signature set and four (4) copies, in envelopes as described in the Notice, Page 2. The sealed envelope submitted by the prospective Proposer shall carry the following information on the face of the envelope: Proposer's name, address, subject matter of proposal (including Contract number), advertised date and the hour designated for the proposal receipt as shown in the legal advertisement.

One (1) original set of the Cost Proposal documentation shall be submitted in a separate sealed envelope. Do not include the Cost Proposal in the five (5) copy sets.

Proposals that are sent by mail that are delayed beyond the date and hour set for the proposal receipt, will not be considered and will be returned unopened.

Response documents should be prepared simply and economically, providing a straight-forward, concise, delineation of capabilities proposed to satisfy the requirements of the Request for Proposal.

13. ADDITIONAL CONDITIONS TO THIS PROPOSAL

Information provided with this Request for Proposal is confidential and is to be used only for the purposes of preparing a proposal. It is further expected that each Proposer will read this Request for Proposal with care. Failure to meet one or a combination of specified conditions may invalidate the proposal.

The quality of services available to the District will be considered in the final determination. Due consideration will be given to the total capability of the firm to professionally handle the District's needs.

14. PROJECT SPECIFICATIONS

Unless otherwise provided in the contract document, the Proposer shall only prepare specifications as necessary for the work provided thereunder for incorporation with the contract document.

15. ACCEPTANCE OF PROPOSAL

A contract will be awarded to the responsive Proposer whose proposal, in conforming to the Request for Proposal, will be the most advantageous to the District, price and other factors considered.

The District may accept within the time specified therein any proposal, whether or not there are negotiations subsequent to its receipt, unless the proposal is withdrawn by written notice received by the District prior to the response due date. If subsequent negotiations are conducted they shall not necessarily constitute a rejection or counter proposal on the part of the District.

16. RETURN OF RESPONSES

The District shall be under no obligation to return any responses or materials submitted by the Proposer as a result of the Request for Proposal.

17. ASSIGNMENT

The Proposer shall not assign, sublet, or transfer all or any part of the interest of the Proposer in this Agreement without the prior written consent of the District.

18. OWNERSHIP OF DOCUMENTS

During the performance of work, all documents to be delivered to the District, including but not limited to, tracings, drawings, records maintained on magnetic media, estimates, specifications, field notes, investigations and studies, completed or partially completed, shall be the property of the District for use at its sole discretion, and the Proposer shall be liable to the District for any loss of or damage to any such documents due to the negligent acts, errors, or omissions of the Proposer while they are in the possession of, or while being worked upon, by the Proposer. The Proposer shall afford to the District full access, without care, to the work, and to the sites at which the work is being performed, covered by this Agreement. Furthermore, all the aforementioned documents and records which pertain to the work under this Agreement which may be produced by subcontractors and/or outside associates or Proposers shall be the property of the District.

19. LEGAL MATTERS

The Proposer expressly agrees that this Proposal, and any subsequent contract that is awarded pursuant hereto, is governed by and construed in accordance with the laws of the State of Illinois in all respects, including matters of construction, validity and performance. The parties further agree that the proper venue to resolve any dispute which may arise out of this agreement is the appropriate Court of competent jurisdiction located in Cook County, Illinois.

In the event that any of the provisions of the Agreement conflict with any provisions set forth in the Request for Proposals it is the intention of the parties that the provisions of the Agreement shall control.

20. TERMINATION FOR CONVENIENCE

The District may terminate this contract, or any portion, at any time, by notice in writing from the District to the Proposer. If the contract is terminated by the District, the Proposer shall deliver to the District all finished or unfinished documents, data, studies, and reports prepared by the Proposer under this Contract, and these shall be and become the property of the District. Payment for the work performed before the effective date of such termination shall be based upon the value of the services/goods actually performed/supplied by the Proposer up to the date of termination. Such payment shall be in full settlement for services rendered under this Contract. In no event shall Proposer be entitled to anticipated profits.

21. SIGNATURE REQUIREMENTS

The one (1) original signature set of the Proposal documents required must contain original signatures in writing and in ink. **Photographic, facsimile, and/or stamped signatures are not acceptable for the: Cover Letter, Non-Collusion Affidavit, Certification Affidavit, Affidavit of Ownership and Cost Proposal signature page.** Failure to comply will lead to the Proposal being declared non-responsive and rejected.

22. CITIZENSHIP OF EMPLOYEES

Pursuant to Illinois Statute, no person shall be employed upon contracts for work to be done by any sanitary district unless he or she is a citizen of the United States, a national of the United States under Section 1401 of Title 8 of the United States Code, an alien lawfully admitted for permanent residence under Section 1101 of Title 8 of the United States Code, an individual who has been granted asylum under Section 1158 of Title 8 of the United States Code, or an individual who is otherwise legally authorized to work in the United States (70 ILCS 2605/11.15).

23. CONFIDENTIALITY

Consultant shall treat material and information including, but not limited to, documents, drawings, plans, data of any type received directly or indirectly from the District, its officers, agents, and/or employees, or obtained as a result of, or in performance of, the Services, as confidential, except as specified herein. Material will be considered confidential unless disclosure: (a) has been made public by the District; (b) has been authorized otherwise in writing by the District; or (c) is required by Law, including, but not limited to, the Freedom of Information Act, 5 ILCS 140/1, *et seq.*

24. VERIFICATION OF INFORMATION SUBMITTED

The District reserves the right to confirm and/or verify the accuracy of any and all company information stated or submitted by the Proposer in their Proposal response to the District prior to award and/or prior to the execution of any agreement. The District may also after award and execution of agreement verify any information as needed.

APPENDICES

All appendices signatures must be an original signature.

APPENDIX A

COST PROPOSAL

The Cost Proposal (Appendix A) must be submitted in a separate sealed envelope clearly marked.

Electronic document available for download at

www.mwrd.org

(Quick Links→Contracts and Proposals→For Contracts Being Currently Advertised)

This document must be completed in the exact format provided and submitted with your proposal.

**COST PROPOSAL
DEFERRED COMPENSATION PLAN
ADMINISTRATIVE SERVICES
19-RFP-04**

Fee Quotation Section

Based upon the information supplied in the RFP, assuming all contributions are consolidated by the District’s payroll department, please complete the following: “Fee Questionnaire”, “Fee Schedule”, “Cost Structure” and “Cost Proposal Signature Page”. It is critical that you provide complete information so that fees can be compared on an equitable basis. If there are additional fees not listed, please describe them in detail. The fees quoted must remain constant throughout the duration of the contract. Contract period is from January 1, 2020 through December 31, 2024.

If assumptions are necessary, please fully explain your assumptions and quote the related fees on a unit cost basis, if possible.

I. Fee Questionnaire

Please respond specifically to the following:

1. What are the factors you consider in determining future fee changes?
2. How frequently do you evaluate your fees?
3. Provide other alternatives not outlined in this proposal that could result in the lowering of participant fees. Be clear in your response and provide the condition(s) and the result.
4. For your fees quoted in this Cost Proposal, provide details on your projected asset levels and participant counts as outlined in the chart below:

| Contract Year | Assets | Participant Accounts |
|-----------------------|---------------|-----------------------------|
| Initial Contract term | | |
| Option Year 1 | | |
| Option Year 2 | | |

5. Briefly describe your fee leveling capabilities.
6. For returning revenue sharing to participant accounts, how frequently do you calculate the amount and how often is it returned to participants?

**COST PROPOSAL
DEFERRED COMPENSATION PLAN
ADMINISTRATIVE SERVICES
19-RFP-04**

Fee Schedule

Quote fees based on your proposed Stable Value Fund and the current variable investment line-up for bidding. Do not assume any revenue sharing offset. Fees must remain constant for the duration of the contract. Contract period is from January 1, 2020 through December 31, 2024.

Vendor Name: _____

| | Amount | Assumptions underlying the Amount |
|---|---------------|--|
| Total required revenue for the 457(b) plan expressed in bps (%) on all plan assets: | | |
| Total required revenue for the 457(b) plan expressed in dollars (\$) per participant: | | |
| Total investment management fees for <i>fixed account/stable value product</i> : | | |
| | | |
| Total required revenue for the RHS plan expressed in bps (%) on all plan assets: | | |
| Total required revenue for the RHS plan expressed in dollars (\$) per participants: | | |
| Total investment management fees for <i>fixed account/stable value product</i> | | |

**COST PROPOSAL
DEFERRED COMPENSATION PLAN
ADMINISTRATIVE SERVICES
19-RFP-04**

Cost Structure – Additional Fees

Plan Level

| Services | Fee | Comments |
|--|------------|-----------------|
| Plan Set-up/Installation (one-time fee) | | |
| Investment advisory | | |
| Managed accounts | | |
| Plan documents (outside prototype) | | |
| Check processing | | |
| 1099-R forms | | |
| Postage | | |
| Custom website set-up | | |
| Custom website ongoing | | |
| Employee communication & education | | |
| Number of on-site transition days | | |
| Number of on-site ongoing days | | |
| Additional on-site days | | |
| Customized enrollment materials | | |
| Customized communications | | |
| Annual notification to eligible participants | | |
| Other (be specific) | | |

Participant Level

| Services | Fee | Comments |
|--|------------|-----------------|
| Investment advisory | | |
| Managed accounts | | |
| Loan set-up | | |
| Loan maintenance | | |
| Self-directed brokerage | | |
| Hardship qualifications | | |
| DRO qualifications | | |
| Wire fees | | |
| Non-periodic withdrawals (lump or partial) | | |
| Periodic withdrawal set-up | | |
| Periodic withdrawal maintenance | | |
| Other (be specific) | | |

**COST PROPOSAL
DEFERRED COMPENSATION PLAN
ADMINISTRATIVE SERVICES
19-RFP-04**

Signature Page

The Proposer shall furnish labor, materials and expertise necessary to provide all services outlined in Section II, *Scope of Work*. The District reserves the right to modify the scope of work by mutual agreement as circumstances may dictate.

Print name of firm

Print name of authorized person of firm

Signature of authorized person of firm

Address of firm

FEIN

This page must be filled out. Failure to fill out this page will render your proposal non-responsive and it will be rejected.

Signature must be an original signature.

APPENDIX B
NON-COLLUSION AFFIDAVIT

NON-COLLUSION AFFIDAVIT

**DEFERRED COMPENSATION PLAN
ADMINISTRATIVE SERVICES
19-RFP-04**

STATE OF _____)

COUNTY OF _____)

_____, being first duly sworn, deposes and
(Enter Name of Person Making Affidavit)

says that he/she is _____
(Enter "Sole Proprietor," "A Partner," "President," or other proper title)

of _____,
(Enter Name of Firm)

the Proposer submitting this proposal and that such Proposal was not made in the interest of or on behalf of any undisclosed person, partnership, company collusive or sham, and that said Proposer has not been a party of any agreement or collusion among Proposers or prospective Proposers in restraint of freedom of competition by agreement to bid a fixed price, or otherwise, or to refrain from bidding and has not, directly or indirectly, by agreement, communication or conference with anyone attempted to induce action prejudicial to the interest of the Metropolitan Water Reclamation District of Greater Chicago or of any Proposer or anyone else interested in the proposed service contract.

(Signature of Person Making Affidavit)

SUBSCRIBED AND SWORN TO BEFORE ME

this _____ day of _____, 2019.

Notary Public

APPENDIX C
CERTIFICATION AFFIDAVIT

CERTIFICATION AFFIDAVIT

**DEFERRED COMPENSATION PLAN
ADMINISTRATIVE SERVICES
19-RFP-04**

The Proposer agrees to, within forty-eight (48) hours after being requested in writing by the Metropolitan Water Reclamation District of Greater Chicago (“District”), furnish evidence satisfactory to the District of the Proposer’s ability and responsibility, financial and otherwise, to furnish services specified herein in the manner and at the time prescribed.

The Proposer further understands and agrees that if this proposal is accepted, it is to furnish any or all of the terms upon which prices are quoted, at the price and delivery time stated, subject to all terms, conditions and requirements set forth in this Request for Proposal, and in the resulting service contract.

Proposer is cautioned to verify their proposals before submission. Accordingly, the Proposer declares that he/she has carefully examined this Request for Proposal, its scope of service, plans, with walk-throughs and exhibits that are applicable (if any). The Proposer acknowledges that any services performed pursuant to this Request for Proposal must comply with all Federal, State, and Local laws, rules and regulations, as applicable. By submitting a proposal, the Proposer acknowledges that he/she has read all the aforementioned documents, and that he/she has taken the provisions thereof into consideration when preparing and submitting this Proposal.

Certified this _____ day of _____, 2019.

(Signature of Person Making Affidavit)

(Title)

SUBSCRIBED AND SWORN TO BEFORE ME

this _____ day of _____, 2019

Notary Public

APPENDIX D
AFFIDAVIT OF OWNERSHIP

A F F I D A V I T

**DEFERRED COMPENSATION PLAN
ADMINISTRATIVE SERVICES
19-RFP-04**

STATE OF _____

COUNTY OF _____

_____, being first duly sworn on oath, deposes and says:
(Affiant)

1. That _____ is the _____
(He/She) (Title)

of _____, and is duly authorized by
(Firm Name)

said firm to execute and deliver this affidavit to the Metropolitan Water Reclamation District of Greater Chicago for 19-RFP-04 Deferred Compensation Plan Administrative Services.

2. That said firm is a(n) _____
(sole proprietorship) (partnership) (corporation) (association)

whose principal place of business is in _____
State

3. That the names and addresses of the officers and directors of said firm, and their respective titles, are:

4. That the names and addresses of the partners, owners or stockholders of said firm, and their respective interests, are (if twenty or more partners, owners or stockholders, list only those holding five percent (5%) or more interest):

5. That the name and address of the parent owner of said firm is (if none, state NONE and skip to #9):

6. That the names and addresses of partners, officers and directors of said parent owner and their respective titles, are:

7. That the names and addresses of the owners and stockholders of said parent owner, are (if twenty or more partners, owners or stockholders, list only those holding five percent (5%) or more interest):

8. That the Affiant will advise the District of any changes or modifications to the information herein disclosed should such changes occur prior to or during the performance of the contracted services.

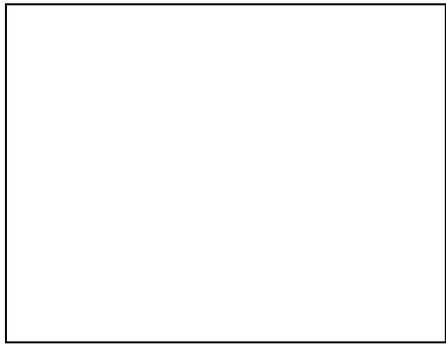
9. That this Affidavit is made in order to comply with the terms of the Resolution regarding consultants passed by the Board of Commissioners of the Metropolitan Water Reclamation District of Greater Chicago, on November 8, 1973, and April 6, 1989.

Affiant

Taxpayer ID Number or Social Security Number

ATTEST:

Secretary (if Corporation)



Affix Corporate Seal Here

Subscribed and Sworn to before me

this _____ day of _____, 2019

Notary Public

APPENDIX E

ADMINISTRATIVE SERVICES QUESTIONNAIRE

Electronic document available for download at

www.mwrd.org

(Quick Links→Contracts and Proposals→For Contracts Being Currently Advertised)

This document must be completed in its entirety and
submitted with your proposal.

APPENDIX F

**INVESTMENT MANAGEMENT SERVICES
QUESTIONNAIRE**

Electronic document available for download at

www.mwrd.org

(Quick Links→Contracts and Proposals→For Contracts Being Currently Advertised)

This document must be completed in its entirety and
submitted with your proposal.

APPENDIX G

CERTIFICATION OF MINIMUM QUALIFICATIONS

Electronic document available for download at

www.mwrd.org

(Quick Links→Contracts and Proposals→For Contracts Being Currently Advertised)

This document must be completed in its entirety and
submitted with your proposal.

APPENDIX H

**DEFERRED COMPENSATION
PLAN DOCUMENT**

Electronic document available for download at

www.mwrld.org

(Quick Links→Contracts and Proposals→For Contracts Being Currently Advertised)

This is a reference document only and does not need to be submitted with your proposal.

APPENDIX I

**DEFERRED COMPENSATION PLAN
INVESTMENT POLICY**

Electronic document available for download at

www.mwrd.org

(Quick Links→Contracts and Proposals→For Contracts Being Currently Advertised)

This is a reference document only and does not need to be submitted with your proposal.

APPENDIX J

**RETIREMENT HEALTH SAVINGS
PLAN DOCUMENT**

Electronic document available for download at

www.mwrd.org

(Quick Links→Contracts and Proposals→For Contracts Being Currently Advertised)

This is a reference document only and does not need to be submitted with your proposal.

APPENDIX K
SAMPLE AGREEMENT

AGREEMENT
BETWEEN
METROPOLITAN WATER RECLAMATION DISTRICT OF
GREATER CHICAGO
AND
VENDOR

PROPOSAL 19-RFP-04

.....
This Agreement contains XX bound pages beginning with this page and ending with the signature page, plus attachments.

TABLE OF CONTENTS

| | |
|--|----|
| ARTICLE 1: SCOPE OF WORK..... | XX |
| ARTICLE 2: ADMINISTRATOR’S BASIC SERVICES..... | XX |
| ARTICLE 3: PERSONNEL..... | XX |
| ARTICLE 4: SERVICES BY THE DISTRICT..... | XX |
| ARTICLE 5: COMPLIANCE WITH APPLICABLE LAWS, ORDINANCES & REGULATIONS – PERMITS..... | XX |
| ARTICLE 6: INDEMNITY..... | XX |
| ARTICLE 7: INSURANCE..... | XX |
| ARTICLE 8: ASSIGNMENT..... | XX |
| ARTICLE 9: EXTENT OF AGREEMENT..... | XX |
| ARTICLE 10: TERMINATION OF AGREEMENT..... | XX |
| ARTICLE 11: REFERENCE DOCUMENTS..... | XX |
| ARTICLE 12: CHOICE OF LAWS..... | XX |
| ARTICLE 13: CITIZENSHIP OF EMPLOYEES..... | XX |
| ARTICLE 14: CONFIDENTIALITY..... | XX |
| SIGNATORY PAGE..... | XX |

AGREEMENT

THIS AGREEMENT made as of the last date on the Signatory Page at Chicago, Illinois by and between the METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO, hereinafter called the DISTRICT, having its office and headquarters at 100 East Erie Street, Chicago, Illinois 60611 and

Vendor Name

having its office and principal place of business at

*Vendor
Address*

hereinafter called the ADMINISTRATOR.

WITNESSETH:

WHEREAS, the DISTRICT desires to engage the ADMINISTRATOR to provide deferred compensation plan administrative services in connection with DISTRICT Proposal 19-RFP-04, Deferred Compensation Plan Administrative Services; and

WHEREAS, the ADMINISTRATOR has received a definition of the scope of work, and other conditions for the deferred compensation plan administrative services; and

WHEREAS, the ADMINISTRATOR represents and warrants that it has the professional qualifications to render such services; and

WHEREAS, the ADMINISTRATOR certified that it has the necessary resources to successfully provide the services as herein specified, said resources having been summarized in a document entitled "Vendor Qualifications" dated *[insert date]*, and "Affidavit of Ownership" dated *[insert date]* and submitted to the DISTRICT under separate cover.

NOW THEREFORE, in consideration of these premises and of the mutual covenants herein set forth, the parties hereto mutually covenant and agree as follows:

ARTICLE 1: SCOPE OF WORK

To provide the DISTRICT with deferred compensation plan administrative services as described in ADMINISTRATOR'S "PROPOSAL for Contract 19-RFP-04" which is attached, and is hereby incorporated as part of this contract.

ARTICLE 2: ADMINISTRATOR'S BASIC SERVICES

A. In accordance with the definition of the scope of work, specifications and other conditions furnished by the DISTRICT in this Agreement of PROPOSAL 19-RFP-04, the ADMINISTRATOR shall render the services as specified and requested by the DISTRICT at the costs specified in ADMINISTRATOR'S "PROPOSAL for Contract 19-RFP-04" and "Best and Final" offer dated *[insert date]*.

B. WATER RECLAMATION DISTRICT DIRECTION

1. The DISTRICT'S Deferred Compensation Committee (defined in 19-RFP-04) will monitor the ADMINISTRATOR'S performance as described in ADMINISTRATOR'S Response to PROPOSAL 19-RFP-04.
2. The contract term starts January 1, 2020 and ends December 31, 2024. The ADMINISTRATOR shall not provide service to the District before 12:01 a.m. on January 1, 2020. These dates are subject to change at the sole discretion of the DISTRICT.

C. ADMINISTRATOR'S RESPONSIBILITY

1. The ADMINISTRATOR shall be responsible for the services furnished by the ADMINISTRATOR under this Agreement. The ADMINISTRATOR shall, without additional compensation, correct or revise any errors or deficiencies in its reports and other services, unless errors are caused by information provided by the DISTRICT.
2. Approval by the DISTRICT of reports or materials furnished hereunder shall not in any way relieve the ADMINISTRATOR of responsibility for the technical adequacy of the work. The DISTRICT'S review of, approval of, acceptance of, or payment for any services shall not be construed to be a waiver of any rights under the Agreement. The ADMINISTRATOR shall be, and remain liable, in accordance with applicable laws for all damages to the DISTRICT to the extent caused by the ADMINISTRATOR'S negligent performance of any of the services furnished under this Agreement.
3. The rights and remedies of the DISTRICT provided under this Agreement are in addition to any other rights and remedies provided by law.

D. BASIS OF PAYMENT FOR SERVICES RENDERED UNDER THIS AGREEMENT

1. The ADMINISTRATOR'S compensation shall be paid out of the Plan assets. The ADMINISTRATOR shall receive an amount not to exceed the total annual aggregate revenue of *[insert fee]* from funds offered by the Plan as described in the Best and Final Offer included herein by reference.
2. No expenditure or charges shall be included in determination of the costs to be reimbursed to the ADMINISTRATOR for expenditures or charges that are (1) contrary to the provisions of the Agreement; (2) after written notice of the suspension or termination of any or all of the DISTRICT'S obligations under this Agreement; or (3) for overhead, office space, office equipment, office supplies and office utilities except when such are approved by the DISTRICT.
3. The DISTRICT shall make no direct payments to any subcontractor under this contract.
4. No services or charges for which additional compensation will be charged by the ADMINISTRATOR shall be furnished without written authorization by the DISTRICT.

ARTICLE 3: PERSONNEL

The ADMINISTRATOR shall assign an account manager reasonably acceptable to, and as agreed upon by the DISTRICT, in no less than 90 calendar days prior to the start of the project.

Any personnel employed by the DISTRICT within 90 days prior to the date of this Agreement may not be employed by the ADMINISTRATOR without the express consent of the DISTRICT, or until after this Agreement has been fully and satisfactorily performed.

ARTICLE 4: SERVICES BY THE DISTRICT

The ADMINISTRATOR is to outline its anticipated requirements regarding assistance from DISTRICT employees.

ARTICLE 5: COMPLIANCE WITH APPLICABLE LAWS, ORDINANCES AND REGULATIONS - PERMITS

All work to be performed by the ADMINISTRATOR'S employees in fulfillment of this Agreement shall comply with all applicable federal, state, and local laws as well as all applicable ordinances and regulations of the DISTRICT unless a specific exemption is provided, in writing, by the DISTRICT.

ARTICLE 6: INDEMNITY

The ADMINISTRATOR covenants and agrees that it shall defend, indemnify and hold harmless the DISTRICT, its commissioners, officers, agents and employees, from that portion of any and all suits, claims, expenses (including reasonable attorney's fees) or losses which may be imposed by law in connection with any negligent act or omission of the ADMINISTRATOR, its employees or agents in its performance of services under the terms of this Agreement.

ARTICLE 7: INSURANCE

- A. The ADMINISTRATOR, at its sole expense and prior to engaging upon the work agreed to be done, shall procure, maintain and keep in force during the entire term of the Agreement such required insurance as specified and outlined herein. The specific type(s) and amount(s) of coverage of this Agreement are specified below. The District, its Commissioners, Officers, Agents, and Employees must be named as additional insureds on every insurance certificate for this Agreement with respect to Commercial General Liability and Business Auto Liability.
- (a) Workers' Compensation Insurance in such statutory amounts as required in the State of Illinois and Employer's Liability Insurance in an amount not less than \$1,000,000 per accident.
 - (b) Commercial General Liability Insurance on an "occurrence form" for bodily injury and property damage combined with limits no less than \$1,000,000 per occurrence.
 - (c) Business Auto Liability Insurance Bodily injury and property damage combined with limits no less than \$1,000,000 per occurrence.
 - (c) Insurance Companies Blanket Bond, Employee Dishonesty Insurance or Fidelity Bond Not less than \$25,000,000 per loss (with a deductible not to exceed \$500,000). The provided blanket bond, employee dishonesty insurance or fidelity bond shall contain a loss-payee endorsement in favor of the District.
 - (d) Professional Errors and Omissions Insurance for liability arising from acts, errors or omissions of the Proposer, its subcontractors and agents in an amount not less than \$10,000,000 per claim.
- B. The insurance required herein shall be maintained during the entire course of the Agreement.
- C. Any deductibles or other forms of retention set forth in ADMINISTRATOR'S insurance policies are the responsibility of the ADMINISTRATOR. All deductibles and self-insured retentions are subject to the approval of the DISTRICT.
- D. Prior to being permitted to engage upon the work, the ADMINISTRATOR shall furnish unto the DISTRICT certificates which evidence the required insurance. Unless otherwise agreed to in writing by the DISTRICT, the insurer(s) providing the required insurance shall be licensed in Illinois and shall be rated A-, Class VII or better in the most recent edition of Best's Key Rating Guide. If coverage is evidenced by certificates of insurance, the ADMINISTRATOR, upon request, shall make available for inspection, original insurance policies or certified copies of the actual insurance policies.
- E. Not less than fourteen (14) calendar days before the expiration of any insurance coverage required by the contract, the ADMINISTRATOR must provide certificates which evidence renewal or continuation of the required insurance policies. If renewal of coverage is evidenced by certificates

of insurance, the ADMINISTRATOR, upon request, shall make available for inspection, original insurance policies or certified copies of the actual insurance policies.

- F. Upon failure to provide such evidence of coverage within the time periods required, the DISTRICT may direct the ADMINISTRATOR to cease all operations until the required documents have been provided to the DISTRICT. Such certificates of insurance must be accompanied by any required additional insured endorsements, and provide that coverage may not be canceled, non-renewed, or materially reduced without providing thirty (30) days advance written notice by the insurer (s) to the DISTRICT. All certificates of insurance, and the insurance companies providing the coverage required herein, are subject to the approval of the DISTRICT.

ARTICLE 8: ASSIGNMENT

The ADMINISTRATOR shall not assign, sublet or transfer the interest of the ADMINISTRATOR in this Agreement without prior written consent of the DISTRICT. This Agreement is made by the undersigned and shall be binding upon and shall inure to the benefit of the ADMINISTRATOR notwithstanding the withdrawal, retirement, or death of one or more of the members of the firm, or the addition of new members to the firm.

ARTICLE 9: EXTENT OF AGREEMENT

The Agreement, including the documents incorporated herein by reference, represents the entire and integrated Agreement between the DISTRICT and ADMINISTRATOR for services pertaining to Proposal 19-RFP-04 as described in this Agreement, and supersedes all prior negotiations, representations or Agreements, either, written or oral. This Agreement may be amended only by written instrument signed by both the DISTRICT and the ADMINISTRATOR.

ARTICLE 10: TERMINATION OF AGREEMENT

The term of this Agreement shall be for a period of five (5) years beginning on January 1, 2020 and ending on December 31, 2024. The DISTRICT may terminate this Contract, or any portion, upon ninety (90) days' written notice from the DISTRICT to the ADMINISTRATOR. If the Contract is terminated by the DISTRICT, the ADMINISTRATOR shall deliver to the DISTRICT all finished and unfinished documents, data, studies, and reports prepared by the ADMINISTRATOR under this Contract, and these shall be and become the property of the DISTRICT. Payment for the work performed before the effective date of such termination shall be based upon the value of the services/goods actually performed/delivered by the ADMINISTRATOR up to the date of termination. Such payment shall be in full settlement for services rendered under this Contract. In no event shall ADMINISTRATOR be entitled to any unearned profits, anticipated or otherwise.

ARTICLE 11: REFERENCE DOCUMENTS

The following documents are hereby made a part of this Agreement:

1. ADMINISTRATOR'S Proposal to 19-RFP-04
2. ADMINISTRATOR'S Best and Final Offer submitted *[insert date]*
3. ADMINISTRATOR'S Affidavit of Ownership
4. Request for PROPOSAL 19-RFP-04

In the event of inconsistency between the terms and conditions of this Agreement and the terms and conditions of 19-RFP-04, this Agreement will control. In the event of inconsistency between the Reference Documents, the terms and conditions of the document with the lowest numerical order will control over the terms and conditions of the remaining Reference Documents.

ARTICLE 12: CHOICE OF LAWS

The parties agree that this Agreement is governed by and construed in accordance with the laws of the State of Illinois in all respects, including matters of construction, validity, and performance. The parties further agree that the proper venue to resolve any dispute which may arise out of this Agreement is the appropriate court of competent jurisdiction located in Cook County, Illinois.

The parties agree to meet and confer in good faith in an effort to amicably resolve any dispute arising out of or in connection with the contract as a precondition to commencing any litigation hereunder.

ARTICLE 13: CITIZENSHIP OF EMPLOYEES

Pursuant to Illinois Statute, no person shall be employed upon contracts for work to be done by the DISTRICT unless he/she is a citizen of the United States, a national of the United States under Section 1401 of Title 8 of the United States Code, an alien lawfully admitted for permanent residence under Section 1101 of Title 8 of the United States Code, an individual who has been granted asylum under Section 1158 of Title 8 of the United States Code, or an individual who is otherwise legally authorized to work in the United States. (70 ILCS 2605/11.15).

ARTICLE 14: CONFIDENTIALITY

ADMINISTRATOR shall treat material and information including but not limited to documents, drawings, plans, data of any type received directly or indirectly from the DISTRICT, its officers, agents and/or employees, or obtained as a result of, or in performance of the services, as confidential, except as specified herein. Material will be considered confidential unless disclosure (a) has been made public by the DISTRICT, (b) has been authorized otherwise in writing by the DISTRICT, or (c) is permitted or required by Law, including but not limited to the Freedom of Information Act, 5 ILCS 140/1, et seq. All disclosures will be made directly by the DISTRICT.

SIGNATORY PAGE

IN WITNESS WHEREOF, on the date set forth below, the Metropolitan Water Reclamation District of Greater Chicago and the ADMINISTRATOR, have executed this Agreement, Agreement No. 19-RFP-04, in quadruplicate.

ADMINISTRATOR’S NAME

By _____
President*

(Print Name and Title)

Attest:

Secretary* (Seal)

***NOTE* If the Agreement is executed by other than the President and Secretary, a corporate resolution must be attached in duplicate authorizing execution by the designated parties.**

FOR METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO

Director of Human Resources

Director of Procurement and Materials Management

Executive Director

Chairman of the Committee on Finance

Attest:

_____ (SEAL)
Clerk of the District

Date

APPROVED AS TO FORM AND LEGALITY:

Head Assistant Attorney

General Counsel

Receipt certification by ADMINISTRATOR’S duly authorized receiving agent:

Received a copy of the above executed Agreement on:

Date: _____

Signature: _____